

2011/12

ANNUAL REPORT

City of Matlosana



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Chapter 1



Chapter 1

CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

EXECUTIVE MAYOR'S FOREWARD



Our performance as a municipality for each financial year is measured by whether we have achieved the key objectives set out in our IDP with the allocated

budget and whether there is a need to fasten loose ends that derail delivery of services within the necessary timelines.

As required by the Local Government: Municipal Systems Act, 32 of 2000 (Section 46) and Local Government: Municipal Finance Management Act, 56 of 2003 (Section 88), we present the 2011/2012 annual report to communicate feedback on whether for the year under review, our endeavours as an institution, to deliver services that move our people from the negative socio-economic aspects of their lives to positive acceptable social conditions were successful.

a. VISION

To be amongst the 5 leading municipalities by 2016, responding to our service delivery obligations in a manner benefitting our municipality and the community.

b. KEY POLICY DEVELOPMENTS

The 2011/2012 Annual Report reflects on whether our performance is gearing us towards our objective of becoming one of the top 5 best performing municipalities – whether the limited resources at our disposal are enabling progress of meeting our service delivery obligation – or whether the goals we set ourselves to achieve have been a highest mountain to climb resulting in an unsatisfactory report.

Our municipality strived on overcoming the negative financial state inherited from the 2009/2010 and 2010/2011 financial years. Effective financial policies and systems are envisaged to ensure financial viability and sustainability.

As alluded in the 2012/2013 budget speech, there are challenges facing Matlosana as a fast growing city. But this Council held steadfast and tackled tough challenges to ensure that we attain some positive outcomes and highlights amid the negative circumstances. These are the highlights which further confirm that *we are yet not where we were before*:

- ◆ Recovery plans are in place and form part of our policies.
- ◆ The collection rate improved, though not as high as expected following the interventions that were put in place on businesses that were not paying for services.

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c. KEY SERVICE DELIVERY IMPROVEMENTS

During the period under review, a concerted effort to implement projects and programs that were budgeted for and encapsulated in our IDP was undertaken and the outcomes thereof are evident within our area of jurisdiction.

Our IDP and Budget Consultation meetings gave us the opportunity to listen to the community's needs and we acted on delivering the much needed services. Amongst the completed 2011/2012 projects the following are highlights:

- ◆ Electrification project Jouberton Ext 24.
- ◆ Housing units in various extensions
- ◆ Internal roads gravel (452 km's) completed

The following Municipal Infrastructure Grant projects were:-

- ◆ Khuma Bulk water supply 10ml reservoir
- ◆ Increase capacity of the Hartebeesfontein Waste Water Treatment Plant Phase1
- ◆ Upgrading of Orkney WWTP Phase 5
- ◆ Paving of Taxi Routes (14.7 km's) & Storm-water – Jouberton, Tigane, Khuma, Alabama and Kanana

Though we had to journey through the harsh realities of economic meltdowns, job-losses resulting an increased unemployment rate and people living beyond poverty lines, factors which affected payment for services negatively, the report indicates improvements that reaffirm that *even though we are still not where we want to be, we are indeed moving forward.*

d. PUBLIC PARTICIPATION

Our collective understanding of all factors and the issues at play in as far as our mandate of delivering quality services to our people is concerned, yielded positive strides when we faced abnormal situations. As councillors, our oversight role and monitoring of the implementation of the decisions we take as a Council improved drastically. Through the IDP and Budget Consultation and the monthly Ward Councillors consultation meetings, we listened to the community and acted on delivering services.

e. FUTURE ACTIONS

Good governance, leadership and good financial management were enhanced for the period under review through functional Portfolio Committees, Municipal Public Accounts Committee and the appointment of the Audit Committee (external). Coupled with that was the appointment of the Municipal Manager, CFO and other Directors a move which strengthened administrative stability of the institution and political will.


The task ahead is to attain 99% of our developmental goals in the 3 remaining financial years through good leadership, good governance and sound financial management to ensure:-

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- ◆ Clean audit by 2014
- ◆ Support for local economic development
- ◆ Building viable, integrated and sustainable human settlements
- ◆ Streamlining all special projects and enhancing partnerships and participation of other stakeholders to improve delivery of services
- ◆ Establishment of advisory panels

f. CONCLUSION

The journey of transforming our society and unblocking process of change continues. Commitment by all in this municipality without reservations is on the rise. The political will is evident and will continue to add value to changes. I pledge my competence, commitment and knowledge to this municipality.



CLR MK KHAUOE
EXECUTIVE MAYOR

Chapter 1

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

As the incoming Municipal Manager of the City of Matlosana, I am privileged to have this opportunity in presenting the 2011/2012 Annual Report of Matlosana City Council.

The report has been compiled as per the provisions of Section 46 of the Local Government: Municipal Systems Act, 32 of 2000 and the Local Government: Municipal Finance Management Act, 56 of 2003 in the new format as proposed by National Treasury.

According to Section 121 of the Municipal Finance Management Act No. 56 of 2003 (MFMA), read with MFMA Circular No 32 and MFMA Circular No 63, the purpose of an annual report of a municipality is to:

- ◆ Provide a record of activities of the Municipality;
- ◆ Provide information that supports the revenue and expenditure decisions;
- ◆ Provide a report on performance in service delivery against Budget; and
- ◆ Promote accountability to the local community for the decisions made throughout the year;

and therefore this report will give our community a substantial insight into the workings of Matlosana City Council.

The Municipality's progress in achieving its objectives as reflected in the Integrated Development Plan, the Budget and the Service Delivery and Budget implementation Plan is outlined in this Annual Report.

The following have been achieved during 2011/12:-

- ◆ Provided 100% of urban households with access to basic water
- ◆ Provided 73% of rural households with access to basic water
- ◆ Provided 99.96% of urban households with access to basic sanitation
- ◆ Provided 100% of rural households with access to basic sanitation
- ◆ Provided 98.2% of urban households with access to basic electricity
- ◆ Provided 1,550 approved rural settlements with free basic alternative energy (indigents)
- ◆ Provided 70% of registered rural settlements earning less than R2,280 per month (indigents) with access to free basic services
- ◆ Provided 100% of urban households with access to basic refuse removal
- ◆ Received a Blue Drop Award for drinking water quality
- ◆ Received an excepted score for Green Drop status for effluent water quality
- ◆ Reduced water distributions losses with 6,75%

Over the past few years we have been seeing a steady improvement in the quality of our performance reporting as organisational performance management becomes entrenched and as managers gain insight on how the identification of key performance indicators and the tracking thereof can assist delivery and create opportunities for ongoing improvement. As this way of working becomes entrenched in municipalities, it also becomes possible for our customers to measure our progress based on clearly stated objectives.

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The period under review challenged us to look for different answers and solutions. We have used our own resources, the equitable share and conditional grants to extend the provision of infrastructure.

The provision of infrastructure is becoming more difficult and costly. The revenue generation and collection from services provided by the municipality have not been optional in order to enable reinvestment in operations and maintenance. The skills shortage or inappropriate recruitment of skills has been placing a huge pressure on our service delivery capacity.

There is an urgent need to focus on the governance, decision making and financial management to deal with budgeting, tariff setting, revenue collection, customer services, operations and maintenance planning and infrastructure asset management. The relationship between financial management and financial viability remain a challenging factor and the focus on the next financial year will be on maintaining a balance between financial management and viability. The focus on financial viability will be on revenue enhancement including debt management.

We have taken the opportunity in this Annual Report to reflect on what we have achieved and what remains to be done. One thing is clear – as we move into the next financial year, the challenges will be ever greater. The economic conditions over the next year and beyond will place tremendous burdens on many of our citizens, who will depend on effective public services more than ever. Meanwhile, no effort is spared in attaining efficiency targets in our work and responding to the performance framework. We look forward to working with all stakeholders to deliver ever better public services.

Lastly, it is also necessary to mention that we have tried to adhere to the principles of good governance as we believe that good governance is integral to economic growth, the eradication of poverty and for the sustainable development of the community we serve. We table this report in the spirit of Batho Pele, putting our people and communities first, and this report bears our testimony to our commitment for setting platforms to achieving more desired outcomes for the years ahead.

I would like to thank the Executive Mayor, members of the Executive Committee, all Councillors and staff for their contributions in making 2011/2012 a success.



ET MOTSEMME
MUNICIPAL MANAGER

Chapter 1

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

ABOUT THE CITY OF MATLOSANA

The greater city area of Klerksdorp is situated on the N12 Treasure Corridor (SDI) linking the municipal area with Gauteng province in the East and the Northern Cape in the South West, thus between Potchefstroom and Wolmaransstad.

The municipality was classified as a Category B Municipality by the Municipal Demarcation Board, in terms of section 4 of the Local Government Municipal Structures Act, 1998.


The City of Matlosana was previously known as Klerksdorp (KOSH area) and today is fondly referred to as the “City of People on the Move”.



The city is economically viable and has an abundance of government-owned land which is currently in need of bulk infrastructure to stimulate effective development projects.

Our Fresh Produce Market is one of the largest in the country and open to business and partnerships. A capital injection along with reliable business partners will enable it to become the largest Fresh Produce Market in South Africa.

The N12 development route was identified by the municipality as a flagship project for golden opportunities in the following sectors: Housing, business, industrial, heritage, mining, tourism, sport as well as recreation.

Coordinates:  26°52'S 26°40'E 26.867°S 26.667°E

A CITY WITH A VISION

As an organization with the primary responsibility of ensuring that the Matlosana area is able to realize its full potential in every aspect, the vision and mission of the City of Matlosana is as follows:-

VISION	MISSION
Matlosana is a well run city, where wealth attraction, economic growth and quality municipal service delivery place it amongst the 5 leading local municipalities by 2016.	Excellence in conducting the affairs of the city through attracting money and stimulating economic growth to address the service delivery needs of our people.

GEOGRAPHIC PROFILE

The Municipal area of Matlosana covers an area of 3,162 km² and consists of the following broad band land use categories:-

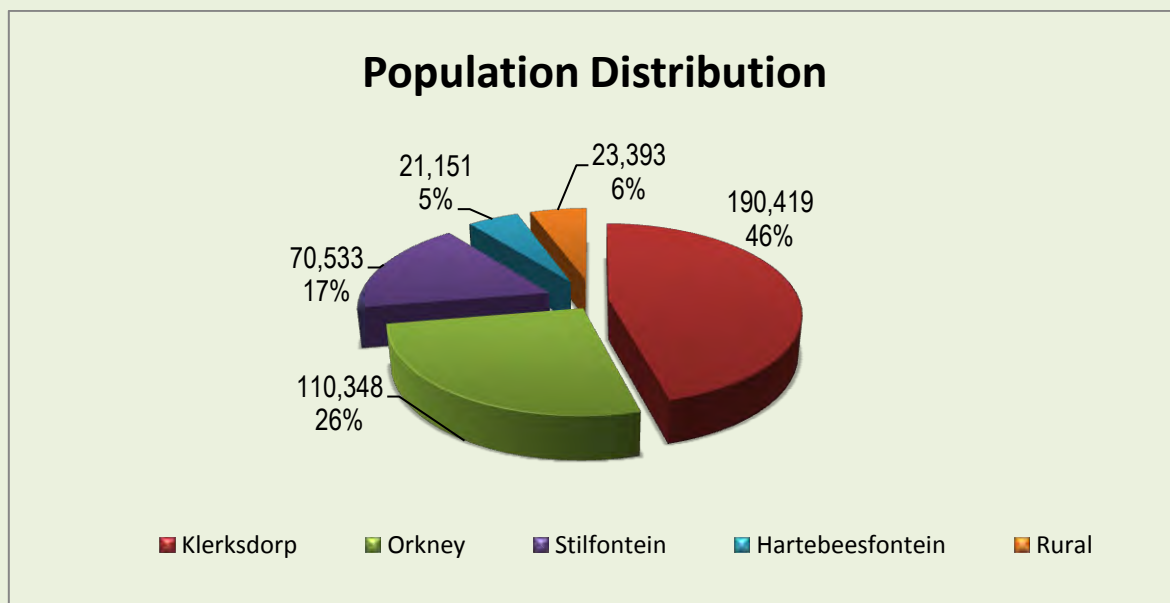
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Land Use	% Coverage
Commercial dry-land, commercial irrigated and semi commercial substance dry-land	25,28
Forrest / Woodland / Plantations (degraded included)	2,58
Grassland (improved, unimproved and degraded)	57,23
Thicket, bush land, scrubland and low fynbos	9,94
Urban / Built-up land (commercial, industrial, transport, residential and small holdings)	2,52
Water bodies / Wetland	0,93
Mines / Quarries	1,52

DEMOGRAPHIC PROFILE

According to estimates based on the Matlosana Socio-Economic Report of 2012, the City of Matlosana has a total population 415,844 people of which 392,451 (94.4%) is urbanized and 23,393 (5.6%) are rural. The largest concentration of people in the Dr Kenneth Kaunda District Municipality is situated in the City of Matlosana.

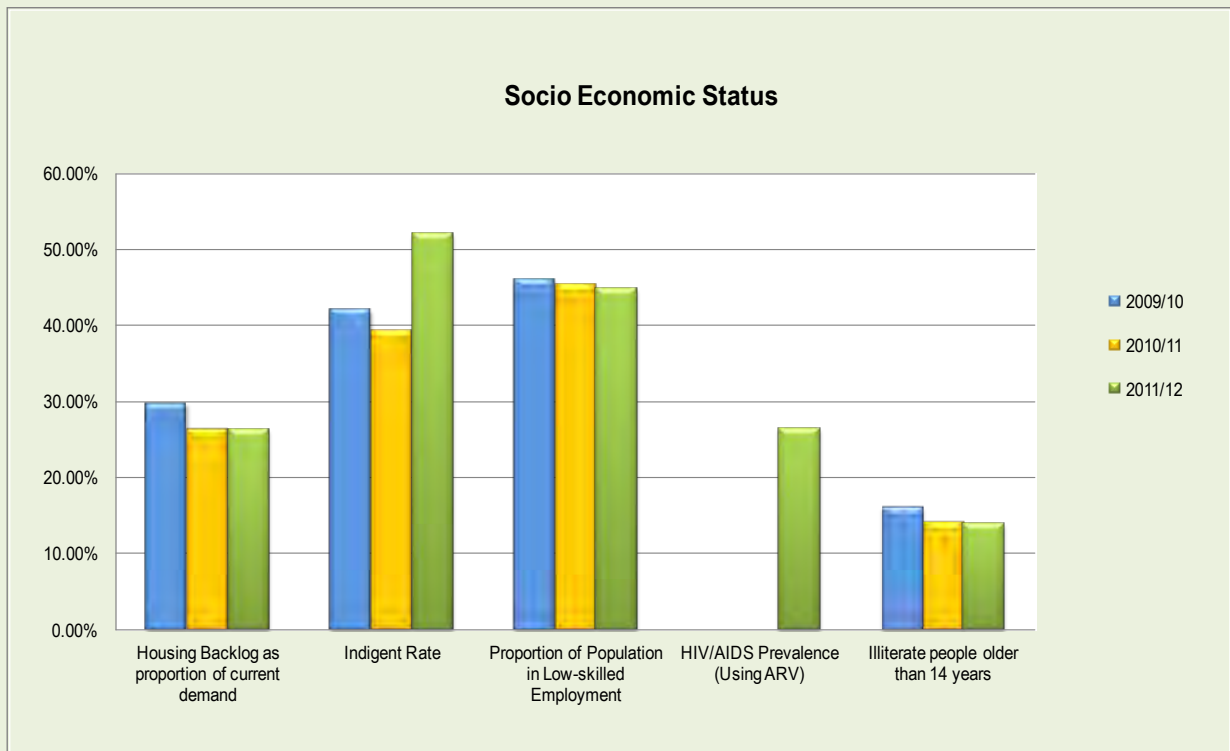
The current and expected urban and rural distributions for Matlosana area as follows:-



Population Details			
Description of economic indicator	2009/10	2010/11	2011/12
Population	401,122	404,732	415,844
Ages 0 – 14	109,907	110,897	113,941
Ages 15 – 19	32,090	32,379	33,268
Ages 20 – 39	159,647	161,083	165,506
Ages 40 – 64	86,642	87,422	89,822
Ages 65 +	12,836	12,951	13,307

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Socio Economic Status					
Year	Housing Backlog as proportion of current demand	Indigent Rate	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence (Using ARV)	Illiterate people older than 14 years
2009/10	29.74%	42.00%	46,0%	Not available	16.10%
2010/11	26,44%	39.40%	45,4%	Not available	14.20%
2011/12	26,32%	52.00%	44,8%	26,36%	13.90%
SA Stats, 2007 & Matlosana Socio-Economic Report - 2012					



1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

ACHIEVEMENTS

Number of households in the municipality:	±	159,680
Number of registered indigent households [Municipal Data]		42,428
Number of indigent households with access to FBW		42,428
Number of indigent households with access to FBE		21,238
Number of indigent households with access to FBSan		42,428
Number of indigent households with access to FBRR		42,428
Number of indigent households with access to FBAE		1,500
Number of households provided Free Basic Electricity by Eskom:		2,179
Number of households provided Free Basic Electricity by Municipality:		19,059

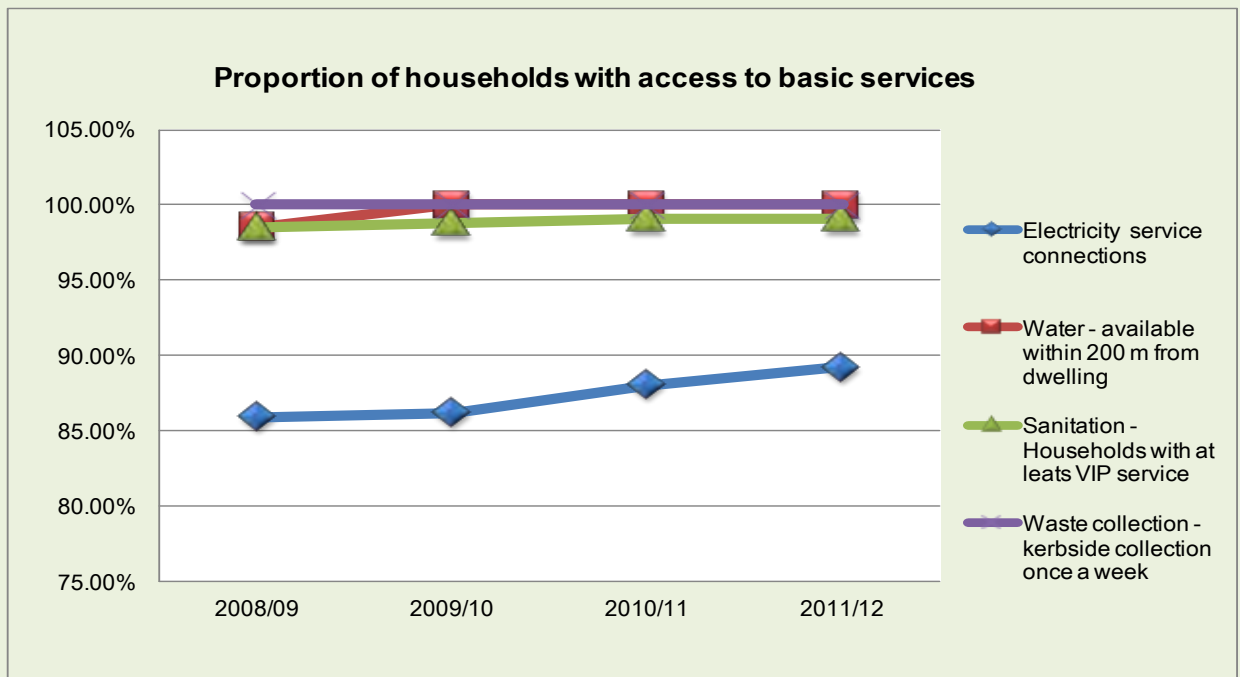
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EQUITABLE SHARE

Equitable Share provided for Free Basic Services – 2011/12			
Services	Allocation Expenditure	Expenditure	% Expenditure
Total	R 98,712,000	R 95,988,069	97,2%

CHALLENGES

- ◆ The provision of free basic electricity in areas where Eskom is the supplier.
- ◆ Fraudulent consumers are claiming indigent status. Indigent consumers who do not come and collect their FBE.
- ◆ Consumers who are possible indigent are not coming forward to disclose their status.
- ◆ Access denied by some farm owners to supply FBAE to their farms



COMMENT ON ACCESS TO BASIC SERVICES

- ◆ Consumers who are possible indigent are not coming forward to disclose their status.
- ◆ Access denied by some farm owners to supply FBAE to their farms

1.4. FINANCIAL HEALTH OVERVIEW

The City of Matlosana incurred a deficit for the year of R103 602 752 (2011: R202 193 098) whereby the contribution of depreciation was R 157 705 694 (2011: R175 297 775). The deficit was mainly due to lower than expected collection rates (resulting in higher impairment of receivables) and lower than expected sales (influence of the local economic situation). The accumulated surplus at year-end was R1 654 974 877 (2011: R 1 755 677 437).

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The City of Matlosana is dependent on rates and services income, as well as grant income which constituted about a quarter of the municipality's income. The municipality's sustainability is dependent on the effective management of its resources as well as the community's effective contribution and participation in the budgeting process and the payment of rates and services.

Non-payment of rates and services is a national concern and the City of Matlosana is not immune to the problem. With the new management the focus has been shifted to make sure that all reasonable steps are undertaken to enhance the debt collection rate. Better planning and control over expenditure and higher efficiencies of staff will also deliver results in the future.

Certain vacant high impact management positions were filled during the year under review and their impact will only come to light in the next financial years. There are already indications (refer to the ratio analyses in chapter 5) that many of the downward trends have bottomed out (or are in the process thereof). Further budgetary control and debt collection improvements should enhance the financial outlook for the following financial years and should improve the balance sheet to levels that could entertain higher spending/service delivery.

Financial Overview: 2011/12			
	R' 000		
Details	Original Budget R	Adjustment Budget R	Actual R
Income:			
Grants	307,000	308,236	302,437
Taxes, Levies and tariffs	1,173,406	1,121,213	1,004,879
Other	351,165	278,496	224,630
Sub Total	1,831,571	1,707,945	1,531,946
Less: Expenditure	1,831,544	1,707,918	1,528,589
Net Total*	27	27	3,357

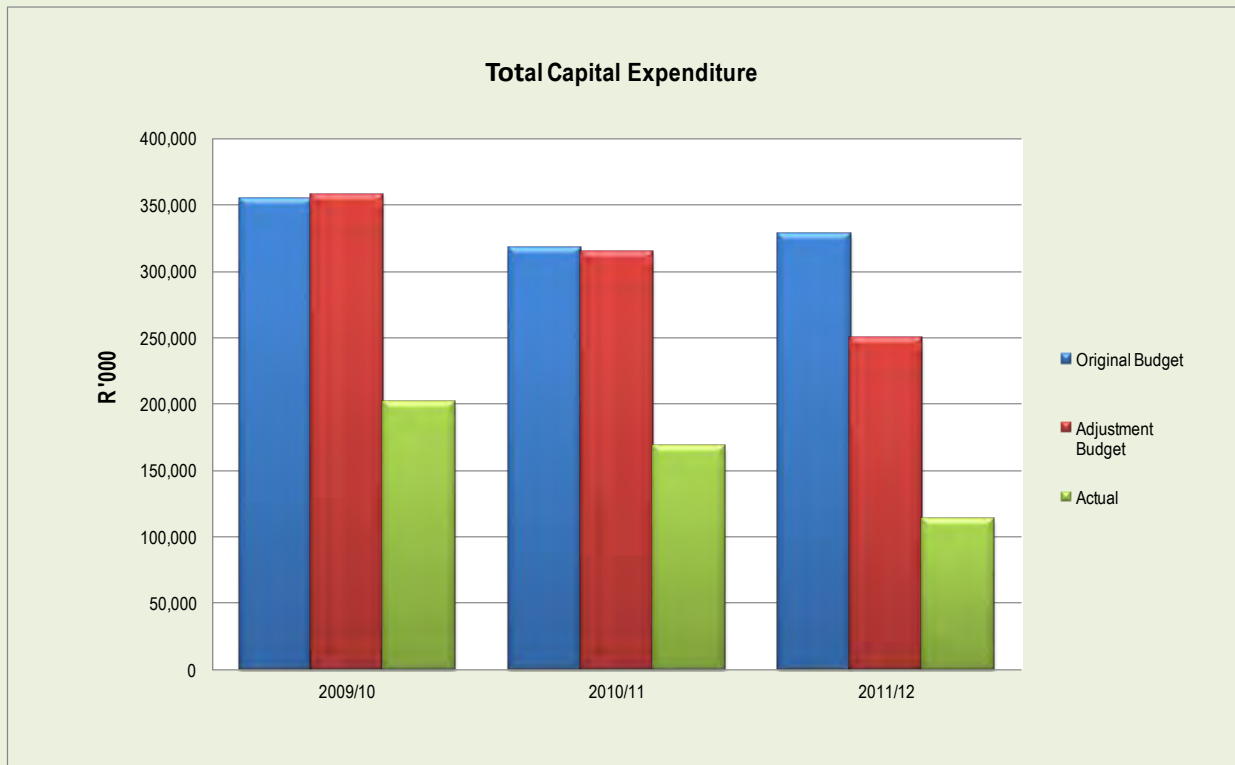
Operating Ratios	
Detail	%
Employee Cost	22%
Repairs & Maintenance	4%
Finance Charges & Impairment	6%

COMMENT ON OPERATING RATIOS

Employee cost in Council is very well managed for the year under review and stand at 22% compared to the 30% budget norm on operational costs. Expenditure on repair & maintenance for the financial year is at 4% and below the norm of 20% mainly because of the financial challenges that Council is faced with. Financial charges and impairment is at 4% and very well manage compare to the national norm of 10% of operational expenditure.

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Total Capital Expenditure: 2009/10 to 2011/12			
	R'000		
Detail	2009/10	2010/11	2011/12
Original Budget	354,206	317,667	328,472
Adjustment Budget	357,706	314,316	249,785
Actual	201,698	168,254	113,331



COMMENT ON CAPITAL EXPENDITURE

The capital budget for Council funded expenditures had been reduce with R 64.25 million during the adjustment budget due to cash flow challenges that council experienced during the financial year. This is furthermore reflected in the actual expenditure for the year. Spending on grant capital however was very low.

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

The City of Matlosana has an organizational structure which is aligned to the IDP and is reviewed from time to time to ensure operational effectiveness.

All contractual obligations with Senior Managers lapsed from October 2011 towards March 2012. During two strategic development workshops an overhead organogram was developed in order to ensure forward movement of the municipality in achieving its vision.

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The overhead organogram introduced a revised macro restructuring of the municipality's directorates. The new directorates include the following:

- ◆ Directorate: Corporate Services
- ◆ Directorate: Finance
- ◆ Directorate: Municipal and Environmental Services
- ◆ Directorate: Civil Services and Human Settlements
- ◆ Directorate: Electrical and Mechanical Engineering
- ◆ Directorate: Macro City Planning and Development
- ◆ Directorate: Strategic Planning, Monitoring and Control

The Municipal Manager and Directors, with the exception of the Director: Municipal and Environmental Services and Director: Civil Services and Human Settlements which is vacant have been appointed and signed new 5 year Employment Contracts and annual Performance Agreements.

The number of vacant posts on the municipality's organogram is still a challenge and the total vacancies totalled 884 or 28% at the end of the financial year. The number of vacancies for the previous financial year totalled 843 or 28%.

A further challenge remains with the TASK Job Evaluation System and very little movement on this matter can be reported on for the financial year, but the urgency thereof will be addressed with the newly created job evaluation committee for the municipality in the 2012/2013 financial year.

1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT: 2011/12

As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), the responsibility of the Auditor General is to express an opinion on the municipality's financial statements based on conducting an audit in accordance with International Standards on Auditing.

For the previous financial year (2010/2011) the City of Matlosana received a disclaimer. The basis for this opinion is that the accounts of this municipality were too deficient in essential detail for the Auditor General to form an opinion on the financial viability or rectitude of this municipality.

A report from the Auditor General for the financial year under review is contained in chapter 6 of this report.

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1.7. STATUTORY ANNUAL REPORT PROCESS (PROPOSED NEW PROCESS)

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September – October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January

COMMENT ON THE ANNUAL REPORT PROCESS

It is necessary that the municipality derive maximum benefit from its efforts in submitting reports. Such benefits are typically obtained in the form of being able to compare and benchmark against other municipalities and to learn from the feedback mechanisms.

The Annual Report process flow provides a framework for the municipality to follow in completing various reports within each financial year cycle. It is recommended that Municipal Manager study this process flow and ensure that reports are submitted timeously. If the process flow is followed, the municipality should be able to provide an unaudited Annual Report in August of each year, which is consistent with the MFMA.

One of the advantages of compiling an unaudited Annual Report in August is that it can be used to influence the strategic objectives indicated in the IDP for the next financial year as well as the budgetary requirements related to each vote.

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An unaudited Annual Report submitted in August will further provide the municipality with an opportunity to review the functional areas that received attention during the current financial year and take the necessary corrective actions to align the IDP and budget to other priority areas needing attention.

The Annual Report of a municipality and every municipal entity must be tabled in the municipal council on or before 31 January each year (MFMA S127). In order to enhance oversight functions of the Council, this must be interpreted as an outer deadline; hence the municipality must submit the Annual Report as soon as possible after year end, namely, August. The entire process is concluded in the first or second week of December for all municipalities, the same year in which the financial year ends and not a year later, as is currently the case. It is expected that effective management of performance will also result from this change.

The Annual Report must be aligned with the planning documents and municipal budget for the year reported on. This means that the IDP, budget, SDBIP, in-year reports, annual performance report and Annual Report should have similar and consistent information to facilitate understanding and to enable the linkage between plans and actual performance.

The above can only occur if the municipality set appropriate key performance indicators and performance targets with regards to the development of priorities and objectives in its IDP and outcomes (MSA S41). This requires an approved budget together with a resolution of approving measurable performance objectives for revenue from each source and each vote in the budget (MFMA, S24).

The Annual Report content will assist municipal councillors, municipalities, municipal entities, residents, oversight institutions and other users of Annual Reports with information and progress made on service delivery. It must align with the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP), and in year reports. The contents will also assist with the annual audits.

Another key aspect of the reform in combining the relevant information into the New Annual Report Format will assist the municipality to streamline operations and processes through combined committees, reduce costs, time and effort. There will be a limited need for the municipality to have different committees to deal with financial and non-financial related matters.

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CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

To govern is to exercise political, economic and administrative authority to manage the nation's affairs. Governance is the complex mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights and obligations, and mediate their differences.

The political and administrative components of Council maintain a sound working relationship by ensuring respect of procedures and protocols. The City Council as Legal entity relate to the other spheres of Government and Organized Local Government Bodies through the Intergovernmental Policy Framework. Communities as an Interest Group in Municipal Affairs participates through Public Participation Mechanisms and processes in the Decision Making Systems of Council

This includes interaction with the stakeholders in shaping the performance of the municipality in order to enhance a healthy relationship and minimizing conflict.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political governance ensures regular communication with the community at large by means of Imbizo's, IDP and budget consultations. This ensures that the community participates in identifying needs and make inputs on the performance of the municipality. This process ensures healthy relations with the community and minimizes conflict.

Administrative governance ensures transparent administration, regular feedback to the community, compliance to the required rules, processes and laws by which Council is operated, regulated and controlled.

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

The City of Matlosana is made up of 70 elected Councillors who are deployed in all Council Committees, namely:-

- (i) Finance and Debt Normalisation;
- (ii) Housing, Land Affairs and Rural Development;
- (iii) Corporate Services;
- (iv) Community and Health Services;
- (v) Sports, Arts and Culture;
- (vi) Transversal Issues;
- (vii) Public Safety;
- (viii) Infrastructure;
- (ix) Electrical Engineering;
- (x) Economic Growth and Marketing.




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The City Council of Matlosana has established an Audit Committee and Performance Audit Committee, as well as Municipal Public Accounts Committee (MPAC), comprising of non-executive councillors with the purpose of making comments and recommendations on the Annual Report and the Auditor General's Report. The Oversight Committee Report is published separately in accordance to the Municipal Finance Management Act, No. 56 of 2003, two months after the Annual Report was tabled.

The Executive Mayor appoints from amongst elected Councillors, his Mayoral Committee Members who are advising him on municipal affairs, as well as other Councillors to serve in Section 80 Committees for a specific purpose.

POLITICAL STRUCTURE

FUNCTIONS

	<p>EXECUTIVE MAYOR Clr. MK Khauoe</p>	<p>The Executive Mayor identifies the needs of the municipality, review and evaluate those needs, in order of priority, recommend to the municipal council strategies, programme and services to address priority needs through the Integrated Development Plan, and estimates the value of revenue and expenditure, taking into account any applicable national and provincial development plans, recommends and determine the best way to deliver strategies, programmes and services to the maximum benefit of the Community. The Executive Mayor also performs a ceremonial role.</p>
	<p>SPEAKER Clr. LM Kortjas</p>	<p>Presides at meetings of the Council. Maintain order during meetings and ensure that meetings are conducted in accordance with the rules of order of the Council.</p>
	<p>SINGLE WHIP Clr. GS Nkebe</p>	<p>The Single Whip is to ensure that Councillors are accountable to the communities, that code of conduct is respected and adhered to by all Councillors. The Single Whip ensures discipline during Council and Committee Meetings. He facilitates political debates, workshop for all Councillors.</p>

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MAYORAL COMMITTEE		
	Clr. MMS Lee (MMC Finance) Clr. GR Kgosi (MMC Electrical)	
	Clr. ME Mthimkulu (MMC LED) Clr. LV Rothman (MMC Corporate Services)	
	Clr. GC Mbobo (MMC Sports, Arts and Culture) Clr. ML Mothibedi (MMC Public Safety)	
	Clr. ME Kgaile (MMC Human Settlement) Clr. RA Matsepe (MMC Infrastructure)	
	Clr. NS Mendela (MMC Community & Health Services) Clr. PR Pooe (MMC Transversal Issues)	

COUNCILLORS

Councillors provide a vital link between communities they serve and the City. They are responsible for representing the needs and interests of the people they represent, regardless of whether they voted for them. Although councillors are not usually full time professionals, they are bound by a code of conduct. The Councillors serves for five years.

The City of Matlosana comprises 35 Ward Councillors and 35 PR Councillors. See **Appendix A** where a full list of Councillors can be found (including committee allocations and attendance at council meetings).

A Ward Councillor has to balance the expectations of his/her ward and that of their political party. The Ward Councillor is the chairperson of the ward committee, responsible for convening the constituency meeting to elect ward committee members, calling ward committee meetings, ensuring that a schedule of meetings is prepared, handling queries and complaints in the ward, resolving disputes and making referrals of unresolved disputes to the municipality, ensuring that the ward committee does what the municipality expects about reporting procedures. See **Appendix B** which sets out committees and committee purposes.

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The Ward Councillors should be fully involved in all community activities that the ward committee is engaged with and communicate the activities and meetings schedules to the PR Councillors. PR means proportional representation, where voters vote for a political party not an individual candidate within a party. The ballot paper just shows the political parties. The party gets the same share of the number of councillors as the share of total PR votes it got. The party decides which members fill those councillor places. A PR Councillor is allocated to a ward and provides support to the Ward Councillor in things that relate to the ward or the ward committee.

A PR Councillor handles queries and complaints in consultation with the Ward Councillor, assist with resolving of disputes and making referrals, help with implementation of projects, support the Ward Councillor without replacing the Ward Councillor, attend ward committee meetings, constituency meetings and special meetings.

POLITICAL DECISION-MAKING

As a municipality with a Mayoral Executive system all matters for consideration by Councils must be considered by the Mayoral Committee for recommendation to Council.

Matters delegated by Council are finalised at the Mayoral Committee and is submitted to Council for cognizance while matters excluded from delegation by law or not delegated by Council is submitted via the Mayoral Committee to Council for finalisation.

Council Resolutions implemented against the number of decisions taken is 100%.

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

In terms of part 7 section 82 of the Municipal Structures Act 117 of 1998 as amended the Municipality must appoint the Municipal Manager who is the head of administration and therefore the Accounting Officer. In terms of section 55 of the Municipal Systems Act, 32 of 2000 as amended the Municipal Manager as head of administration is subject to policy directives of the municipal council responsible for the formation and development of an efficient, economical, effective and accountable administration and must manage the municipality in accordance with all legislation and policies pertaining to Local Government. In terms of section 50 of the Municipal Systems Act 32 of 2000 as amended, the Council in consultation with the Municipal Manager must appoint managers who are directly responsible to the Municipal Manager who must have relevant and requisite skills and expertise to perform the duties associated with the posts they each occupy.

The Municipal Manager is also accountable for all the income and expenditure and all assets as well as the discharge of liabilities of the municipality including proper and diligent compliance with the Municipal Finance Management Act, 53 of 2003. Each senior manager or director who reports directly to the Municipal Manager are delegated the functions which the Municipal Manager may delegate to them and are responsible for all those matters delegated to them including financial management as well as discipline and capacitating of officials within their areas of responsibility and compliance to all legislation governing Local Government, it's policies and by-laws.

The Municipal Manager and Directors forms the senior management core and all directors are accountable to the Municipal Manager in terms of strategic management and oversight of their departments. All budget expenditures in each directorate are managed by the Director in order to ensure that service delivery matters are handled speedily.

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STRUCTURAL CHANGES

The structural change made within 2011/2012 is in relation to the top structure which was revised immediately after the council was elected. It makes provision for seven (7) Directorates as opposed to the previous ones which were five (5) and renaming of the Directorates.

Old Directorate	New Directorate
1. Director: Corporate Governance	1. Director: Corporate Services
2. Chief Financial Officer	2. Director: Finance (CFO)
3. Director: Municipal and Social services	3. Director: Municipal and Environmental Services
4. Director: Infrastructure and Utilities	4. Director: Civil Services and Human Settlements
5. Director: Economic Growth and Market	5. Director: Macro City Planning and Development
6. Office of the Municipal Manager	6. Director: Electrical and Mechanical Engineering
	7. Director: Strategic Planning, Monitoring and Control

Top Administrative Structure	Functions
MUNICIPAL MANAGER Mr. ET Motsemme	As head of administration and Accounting Officer of the municipality the Municipal Manager is subject to the policy directions of the municipal Council, responsible and accountable for duties and responsibilities outlined under Section 55 of the Municipal Systems Act and any other relevant duties as may be delegated from time to time to the Municipal Manager by the Executive Mayor and Council. The Municipal Manager is also responsible for duties outlined under sections 60 to 75 of the Municipal Finance Management Act.
DIRECTOR: CORPORATE SERVICES Mr. AG Strydom	Establishing and maintaining structures that will, within the parameters of legality and good governance provide the administration that will be appropriately relevant, timeous and effective execution of tasks and be transparent as well as provide conducive environment to stimulate public participation within the co-operative governance
DIRECTOR: FINANCE Mr. MK Kgauwe	Ensure effective and efficient strategic management of the finance portfolio, which includes budgetary management, financial accounting management, supply chain management, credit control management, investments and banking, treasury management, supply chain management and risk management
DIRECTOR: ELECTRICAL & MECHANICAL ENGINEERING Mr. WJ Viljoen	Providing an electrical service in an effective and efficient manner as well as to provide a cost effective distribution network and a sustainable electricity supply to all consumers
DIRECTOR: MACRO CITY PLANNING AND DEVELOPMENT Mr. SG Mabuda	Creating a prosperous City and develop economic strategies that will alleviate poverty and the related socio – economic impacts by stimulating economic growth and development. Operating a Fresh Produce Market that is effective, efficient and economic satisfactory to consumer needs through effective distribution channels, facility provision and operational services
DIRECTOR: STRATEGIC PLANNING, MONITORING AND CONTROL Ms. LM Ramorola	Implementing a monitoring and evaluation methodology in line with legislative requirements. Provide leadership and directive in operating of the performance management system and monitoring and evaluation, development of the SDBIP, quarterly performance reports and annual report
DIRECTOR: CIVIL SERVICES & HUMAN SETTLEMENTS Vacant	Providing water, roads, storm-water and sanitation through a well established and maintained infrastructure that will stimulate growth resulting in a broader income base and will encourage taxpayers to sustain payments through a well established and maintained infrastructure

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DIRECTOR: MUNICIPAL & ENVIRONMENTAL SERVICES Vacant	Developing and maintenance of recreational facilities by establishing a friendly, green, clean, neat and beautiful city, developing and maintaining the cultural heritage of the city and to render a sustainable cleansing service to all residence of the city. Establishing a safe and crime free environment where all people can develop to their full potential by promoting safer communities through prevention, preparedness, response, recovery, education and enforcement
All the above mentioned positions are section 57 positions.	

The third tier of posts / positions can be seen in **Appendix C**.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The City of Matlosana as legal entity relates to the other spheres of Government and Organised Local Government Bodies through the Intergovernmental Policy Framework, communities as an interest group in municipal affairs, participates through public participation mechanisms and processes in the decision making system of council.

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

The City of Matlosana is a member of the local government body, SALGA (South African Local Government Association) both at Provincial and National Level. Elected Councillors are accordingly deployed into various working Committees of SALGA (South African Local Government Association). Employees and Councillors participates in structures such as Pension Fund and Medical Aid bodies, wherein they ensure proper handling of their affairs affecting Council and its employees.

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Executive Mayor and the Municipal Manager represents and participate in the North West Premiers Coordinating Committee, where issues affecting the Province and the Municipalities are discussed. The Speaker and Officials in the Office of the Speaker attends and participate in the Provincial Speakers Forum, Provincial Ward Committee Forum and the Provincial Anti-Corruption Forum.

DISTRICT INTERGOVERNMENTAL STRUCTURES

Elected Councillors and Officials represent the City of Matlosana in neighboring municipalities such as Dr Kenneth Kaunda District Municipality, where issues of mutual interest such as the IDP and Budget are discussed and implemented.

RELATIONSHIP WITH MUNICIPAL ENTITIES

Currently Council does not make use of any service provider/s, which renders a municipal service on behalf of Council and therefore no performance can be reported.

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Although Eskom renders an installation and maintenance service to the community of Kanana, Khuma, Tigane, rural areas and farmlands which falls within the demarcated municipal area of the City of Matlosana, the agreement is between the National Electricity Regulator (NER) and Eskom, by means of a distribution license. No service level agreement is concluded with Council.

The Department Electrical Engineering is in the process of investigating service level agreements with Eskom and the Department of Minerals.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The City of Matlosana has established Ward Committees as a mechanism for public accountability and public participation. The Ward Committees assist Ward councillors in the execution of their duties, which included complaints handling and feedback to communities. Provincial Government has also deployed Community Development Workers to our Municipality, to assist with dissemination of information and mobilisation of communities towards the programmes of Government.

Council has also appointed Community Liaison Officers to facilitate and liaise with communities and Councillors, on issues of mutual interest.

Ward Councillors convenes community mass meetings on a monthly basis to discuss matters affecting the community and give feedback on matters reported on a monthly basis. The Executive Mayor engages in Imbizo's which provided a platform for further interaction and engagement with the communities on regular intervals.

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

◆ Residents, Communities and Stakeholders (Civil Society)

To represent interests and contribute knowledge and ideas in the planning process by:

- Participating in the IDP Representative Forum to:
 - Inform interest groups, communities and organisations, on relevant planning activities and their outcomes
 - Analyse issues, determine priorities, negotiate and reach consensus
 - Participate in the designing of project proposals and/or assess them
 - Discuss and comment on the draft IDP
 - Ensure that annual business plans and budgets are based on and linked to the IDP
 - Monitor performance in implementation of the IDP
- Conduct meetings or workshops with groups, communities or organisations to prepare for and follow-up on relevant planning activities.

◆ Mechanisms and Procedures for Public Participation

Process:

- Compilation of a database of all relevant community and stakeholder organisations.
- Informing communities and stakeholders:

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- Communities and stakeholders must be informed of the municipality's intention to embark on the Integrated Development Planning process.
- Organised and unorganised social groups will be invited to participate in the IDP Process
- ◆ Mechanisms
 - Ward Committees: Councillors have to inform people within their wards by means of public ward level meetings.
 - Media
 - Dikgang tsa Matlosana Newspaper
 - Advertisement in local newspapers
 - Notice at prominent locations e.g. pay points
- ◆ Awareness Campaigns
 - Direct Mail e.g. Leaflets with Service Bills
 - Ward Meetings through Ward Councillors
 - Distribution of pamphlets and Posters to Ward Committee
 - Radio Announcements / Newspapers Advertisements
- ◆ Public Participation

Venue for Public Participation: The venue for the IDP Representative Forum will be at the offices of the City of Matlosana. An assessment will be made to verify the availability of the facilities and bookings will be made in advance.
- ◆ Time Arrangements for Participation

Arrangements will be made to schedule the workshops at times, which will suit the majority of the participants.
- ◆ Transport Arrangements

Members of the IDP Representative Forum will be liable for their own transport costs to the respective workshops.
- ◆ Arrangements for Report Backs by Representatives

Representatives will be encouraged to report back to their organisations after every session. The effectiveness of these report backs will be assessed by feedback from these organisations. A period of 2 weeks will be allowed for feedback.
- ◆ Stakeholders Comment on the Draft Document

The participation programme will make sufficient allowance for stakeholders to comment on documentation before finalisation by the IDP Steering Committee.
- ◆ Council Meeting for Approval

Council meetings for the approval of the IDP will be open to the public.
- ◆ Availability of the IDP Document to all Stakeholders

Copies of the final IDP document will be available to all stakeholders and communities.

WARD COMMITTEES

The main objective of a Ward Committee is to enhance participatory democracy in Local Government. Ward Committees are one way that you can have a say in government decisions. The key purposes of Ward Committees is to increase the participation of local residents in municipal decision-making as they are the direct link with the Council, they are representative of the local ward, they should be involved in matters such as the integrated development plan, the annual municipal budget, council projects and key policies as all these things impact on local people. See **Appendix E**.

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Ward Committees can identify and initiate projects to improve the lives of the people in the ward. They can support the councillor in dispute resolutions, providing information about municipal operations. They can monitor the performance of the municipality and raise issues of concern to the local ward and they can assist with community awareness campaigns on issues such as waste, water and sewerage, payment of fees and charges as members know their local communities and what Council needs.

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
IDP Representative Forum	25 November 2011	43	8	59	Yes	Requested priority issues of previous year to be revised
	21 April 2012	46	7	71	Yes	Feedback given on identified priorities
	25 May 2012	52	12	63	Yes	Final project list presented
IDP Public Participation meetings	26 September - 3 October 2011	58	1	437	Yes	Priority issues of previous year was discussed and updated in the meetings
IDP and Budget consultation meetings	Apr 2012	58	1	664	Yes	Final project list presented

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD

The City of Matlosana established Ward Committees in all the 35 Wards to enhance public participation and accountability. These structures are a mechanism that the municipality uses to disseminate information and address the challenges of the communities in an effective manner. The Ward Mass Meetings held as well as Imbizo's also provides a platform for effective interaction and accountability for Council and the community.

Council benefits positively as a result of the above systems, in that consultation is done with the broader community of Matlosana on matters of service delivery.

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes / No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes

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Do the IDP KPIs align to the section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 of Municipal Systems Act 2000	

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

The scope of corporate governance includes the political, administrative, inter governmental governance and public accountability and participation to ensure that the municipality is managed to the required desires of the community within the rules, processes and laws by which the municipality is operated, regulated and controlled.

The national and provincial outcomes for local government can be seen in **Appendix N**.

2.6 RISK MANAGEMENT

INTRODUCTION TO RISK MANAGEMENT

The need for risk management within the municipality is to ensure that all risks that the municipality is exposed to whether at the strategic, departmental, process or project level are proactively identified and managed to acceptable level on a continuous basis. Good risk management awareness and practices at all management levels is a key success factor in ensuring that the City of Matlosana is able to meet its mission.

The municipality is in the process of establishing a risk management unit, currently the Internal Audit Activity assist in facilitating the risk assessment process. The municipality has appointed a Risk Management committee that reports directly to the Audit Committee.

The municipality has not identified the top five risks but there are risks identified by different departments documented in a risk register.

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

The anti-corruption committee is launched as a strategy to prevent corruption, fraud and theft, functioning from the office of the Speaker. The Internal Audit Activity of the municipality has the responsibility to evaluate the adequacy and effectiveness of processes of the committee.

The City of Matlosana has an operating and effective Audit Committee that will provide advice to Council on the effectiveness of the Committee. See **Appendix G** for Audit Committee recommendations.

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2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW OF SUPPLY CHAIN MANAGEMENT

The Supply Chain Management aim at supporting the strategic decision of the municipality thereby ensuring effective and efficient service delivery to its internal and external clients also to ensure that purchasing and procurement of goods and services are done according to prescribed legislation and the City of Matlosana's Supply Chain Management Policy.

The unit has a staff compliment of four (4) including the Head of Supply Chain Management and report directly to the Chief Financial Officer, the unit, with its few staff compliments has its success and failure including challenges of which the most important is the MIG projects for 2011/2012.

CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE

Challenges	Impact	Measures to improve performance
Lack of Documents Management System	<ul style="list-style-type: none"> Loss of documents Misplacement of documents 	<ul style="list-style-type: none"> Need for document management system
Poor project planning by Department	<ul style="list-style-type: none"> Expired validity period Crisis Management Compromised service delivery to clients 	<ul style="list-style-type: none"> Draft new demand management plan Proposed Meeting program must be adopted as soon as possible
Poor IT System and Support	<ul style="list-style-type: none"> Advertisement of tenders on system not properly coordinated 	<ul style="list-style-type: none"> Immediate posting of tenders on the system including adverts or according to the plan Improve system to facilitate the advertising of tenders on the web
Lack of Training for Committee members and SCM officials	<ul style="list-style-type: none"> Irregular awarding of tenders 	<ul style="list-style-type: none"> Committee Members must be trained as soon as possible
Lack of Reporting (lack of staff)	<ul style="list-style-type: none"> Irregular procurement and unethical 	<ul style="list-style-type: none"> Must report to treasury /council on contract awarded on a weekly and monthly basis
Data base system not functional	<ul style="list-style-type: none"> Irregular expenditure 	<ul style="list-style-type: none"> Use of Venus as the database Up-date current system or procure a new system
Security systems not installed in the area where bids are submitted, closed and opened	<ul style="list-style-type: none"> Possible fraud 	<ul style="list-style-type: none"> Security system must be installed

2.9 BY-LAWS

BY-LAWS INTRODUCED DURING 2012

NO new or amended by-laws were published during the 2011/2012 year.

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COMMENT ON BY-LAWS

Public Participation with regard to a new or amended by-law are dealt with in accordance with section 12(3)(b) of the Local Government: Municipal Systems Act 32 of 2000, to be published for public comment in a manner that allows the public an opportunity to make representations with regard to the proposed by-law.

A by-law takes effect when published or on a future date determined in or in terms of the by-law when published promptly in the Provincial Gazette and, when feasible, also in a local newspaper or in any other practical way to bring the contents of the by-law to the attention of the local community, in terms of section 13 of the Local Government: Municipal Systems Act 32 of 2000.

2.10 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	08 June 2012 (2012-2015)
All current budget-related policies	Yes	06 August 2012
The previous annual report (2010/11)	Yes	29 May 2012
The annual report 2010/11 published	Yes	1 July 2012- 30 July 2012
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2000) and resulting scorecards	Yes	17 May 2011
All service delivery agreements	Yes	None
All long-term borrowing contracts	No	
All supply chain management contracts above a prescribed value (give value) for	No	None
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2010/11	No	None
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	None
Public-private partnership agreements referred to in section 120 made in 2011/12	No	None
All quarterly reports tabled in the council in terms of section 52 (d) during 2011/12	No	March 2012- July 2012

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS

The City of Matlosana's website shall undergo three stages of development. These stages required stage of planning and implementation that the City of Matlosana has taken through a focused Website Development Project. The project is designed to place the municipal website at the transactional stage. The following stages have been defined in the Project:

1. **The static stage** wherein the Website only provides the necessary information to the public and other stakeholders.
2. **Dynamic stage** is when the website is interactive. in other words anyone can engage the municipality from outside if they need any information. the website provided a two communication channel for members of the public, private sector , international community and , any other interested party to interact with the municipality,.
3. **The final stage is the transactional stage.** This is the stage wherein the Webmaster manages the content on the website.

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4. Typically, this is also where the municipality can receive payments of basic services but also issues payments using the website to its service providers in a secured environment.
5. Furthermore anyone who engages with the City of Matlosana can perform any legal transactions pertaining to either submission of applications for housing, town planning development, request for tenders or quotations or service or information.
6. Lastly, the municipality can also use the website for e-Participation using the website as a public participation tool.
7. At this stage the municipality's website is accessible and is able to provide the necessary information.

However, the City of Matlosana's Website is still at the second stage of development - the dynamic stage. This means the City of Matlosana is able to provide all the information as required by MFMA Section 75.

To move the organizations website to the last stage of development in order to address any shortcomings, the project will undertake the following process:-

- ◆ Review internal business process and workflows
- ◆ Map the process to information flows
- ◆ Automate the website content management information flows
- ◆ Deploy Web 2.0 applications to enable the process.
- ◆ Maintain and support the website infrastructure.
- ◆ Monitor and evaluate access, security, usage and any new requirements for future enhancements.

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

No official public satisfaction on municipal services survey was conducted during 2011/12 financial year.

Chapter 3



Chapter 3

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION

Service Delivery is in terms of the Constitution of the Republic of South Africa, Schedule 4, Part B determines the functions of the municipality and therefore its responsibility towards the community. In terms of the IDP and the strategic objectives of the City of Matlosana, certain issues are set out to be achieved during the financial year.

The City of Matlosana set out to achieve the following:-

- ◆ Ensuring that the residents of Matlosana has access to basic and essential services
- ◆ Ensuring that we manage our city's resources and infrastructure well
- ◆ Conserve and protect our city's natural resources

The following have been achieved during 2011/12:-

- ◆ Provided 100% of urban households with access to basic water
- ◆ Provided 73% of rural households with access to basic water
- ◆ Provided 99.96% of urban households with access to basic sanitation
- ◆ Provided 100% of rural households with access to basic sanitation
- ◆ Provided 98.2% of urban households with access to basic electricity
- ◆ Provided 1,550 approved rural settlements with free basic alternative energy (indigents)
- ◆ Provided 70% of registered rural settlements earning less than R2,280 per month (indigents) with access to free basic services
- ◆ Provided 100% of urban households with access to basic refuse removal
- ◆ Received a Blue Drop Award for drinking water quality
- ◆ Received an excepted score for Green Drop status for effluent water quality
- ◆ Reduced water distribution losses with 6.75%

The above-mentioned achievements are part of municipal functions, as in terms of the Constitution of the Republic of South Africa, Schedule 4, Part B *Functions*. See **Appendix D**.

Appendix F indicates the basic service provision.

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

INTRODUCTION TO BASIC SERVICES

The municipality does not make use of entities within the municipality to provide for specific services.

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The following table provides challenges which influence basic service provisioning standards:-

Basic service provision	Challenges
Water	<ul style="list-style-type: none"> ◆ Ageing infrastructure ◆ Limited funding ◆ Water losses ◆ Mushrooming of informal settlements
Refuse removal and solid waste disposal	<ul style="list-style-type: none"> ◆ Inadequate and inefficient vehicles for effective service delivery ◆ Manpower
Sanitation	<ul style="list-style-type: none"> ◆ Unnecessary drain blockages ◆ Limited funding ◆ Mushrooming of informal settlements
Electricity	<ul style="list-style-type: none"> ◆ Ageing infrastructure ◆ Limited funding ◆ Electricity losses ◆ Illegal connections ◆ Mushrooming of informal settlements
Roads and Storm-water Drainage	<ul style="list-style-type: none"> ◆ Ageing infrastructure ◆ Limited funding ◆ Stealing of drain covers
Housing	<ul style="list-style-type: none"> ◆ Illegal housing occupations ◆ Illegal settlements ◆ Housing accreditation ◆ Mushrooming of informal settlements

DEFINITION OF A HOUSEHOLD / HOUSING UNIT

Household: A *household* consists of a person, or a group of persons, who occupy a common dwelling (or part of it) for at least four days a week and who provide themselves jointly with food and other essentials for living. In other words, they live together as a unit. People who occupy the same dwelling, but who do not share food or other essentials, were enumerated as separate households. For example, people who shared a dwelling, but who bought food and ate separately, were counted as separate households.

Visitors, both foreign and South African, as well as boarders who stayed with a household on *census night*, were counted as part of that household. People who were absent on census night, but were not counted elsewhere (either because they were working, travelling, at a church vigil, at an entertainment centre, and so on), and returned to the household on Tuesday, 10 October, were counted as part of the household. Live-in domestic workers and live-in employees were regarded as separate households. (Statistics: South Africa, Census 2011)

Housing Unit: It is a unit of accommodation for a household, which may consist of one structure, more than one structure, or part of a structure. Examples of each are a house, a group of rondavels, and a flat. In informal areas and overcrowded conditions a housing unit may hold more than one household.

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The types of living quarters classified as housing units are as follows: -

- ◆ House or brick structure on a separate stand or yard
- ◆ Traditional dwelling/hut/structure made of traditional materials
- ◆ Flat in block of flats
- ◆ Town / cluster/semi-detached house (simplex, duplex, triplex)
- ◆ House / flat/room in back yard
- ◆ Informal dwelling / shack in back yard
- ◆ Informal dwelling / shack not in back yard, e.g. in an informal / squatter settlement
- ◆ Room / flat let not in back yard but on a shared property
- ◆ Caravan or tent
- ◆ Private ship / boat

(Statistics: South Africa, Census 2011)

DEFINITION OF AN INFORMAL SETTLEMENT

Informal settlements are groups of people living on land they have no legal claim to. It is also known as an unplanned settlement on land which has not been surveyed or proclaimed as residential, consisting mainly of informal dwellings. Informal settlements are also referred to as a squatter settlement, slum or a shanty town. (Statistics: South Africa, Census 2011)

3.1. WATER PROVISION

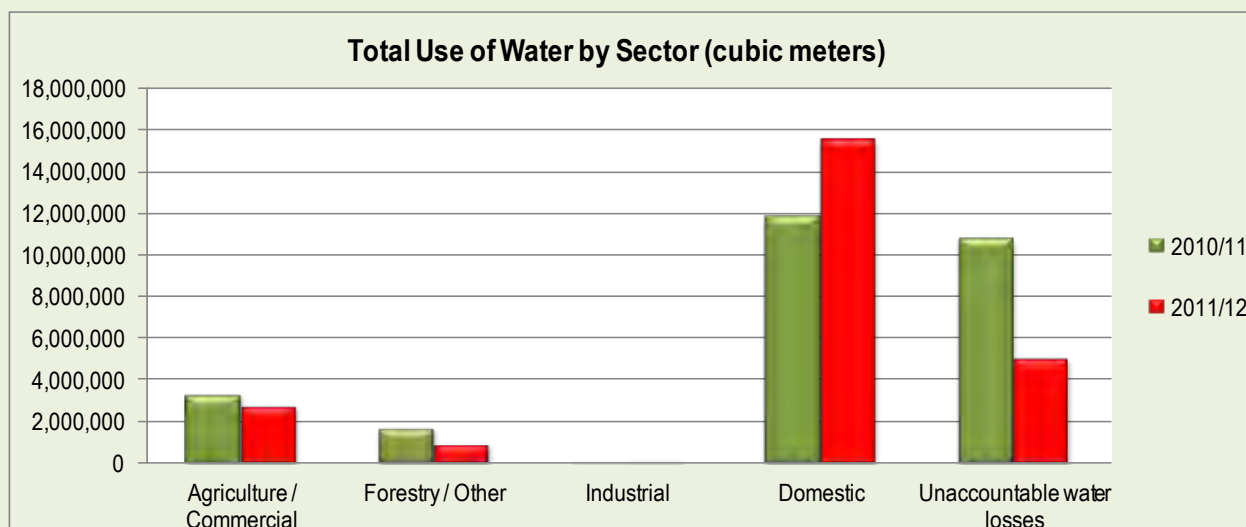
INTRODUCTION TO WATER PROVISION

One of the major goals of the South African Government is to ensure access to safe and reliable water services to all the communities. Notwithstanding the best possible raw water sources, adequate treatment infrastructure and optimal treatment process can achieve safe and reliable drinking water services to consumers and unexpected incidents can disrupt water supplies. Natural disasters such as floods and manmade incidents can significantly disrupt and impact on the quality of water services thus posing a significant health risk to consumers.

The Water Services Act (No.108 of 1997, section 5(4)) states that in emergency situations, a Water Service Authority (WSA) must take reasonable steps to provide basic water supply to any person within its area of jurisdiction and may do so at the cost of the authority.

Total Use of Water by Sector (cubic meters)					
	Agriculture / Commercial	Forestry / Other	Industrial	Domestic	Unaccountable water losses
2010/11	3,275,668	1,650,311	104,386	11,776,020	10,710,661
2011/12	2,700,077	913,293	142,921	15,566,012	4,996,501

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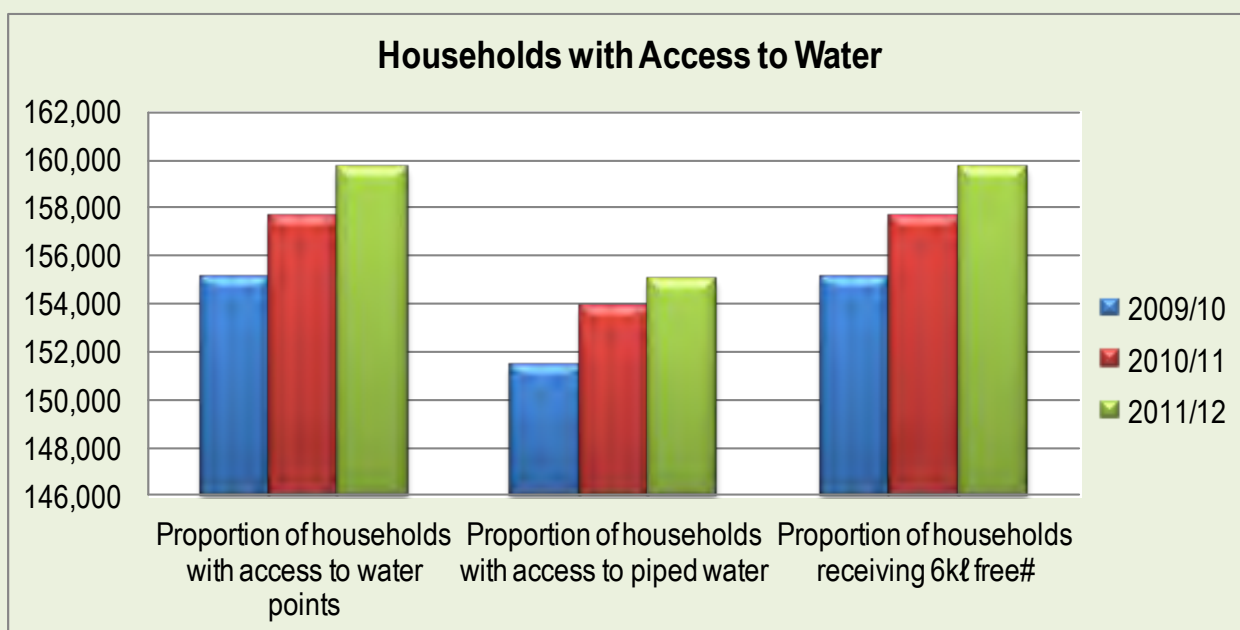
COMMENT ON WATER USE BY SECTOR

The Water section has the following challenges:-

- ◆ Delays in the process of staff recruitment posed a major challenge
- ◆ The above shortage of staff affected service delivery to the public
- ◆ Overtime allowance increases as posts are delayed to be filled
- ◆ The Water Section is experiencing shortage in staff for maintenance e.g. in Klerksdorp and Jouberton we have (3) teams instead of (9)
- ◆ The breakdown of staff shortages is listed below personnel
- ◆ Some complaints are received by the call centre at the Fire Department and do not make their way to the Water Section and as such the Department will always receive complaints of slow response time. The most critical challenge is the shortage of personnel and procurement of resources
- ◆ Distribution losses (water losses due to worn out network)
- ◆ Minimized budget and payment of service providers
- ◆ Upgrading of old distribution network
- ◆ Supply chain processes (to procure services)
- ◆ Training of personnel to improve skills
- ◆ Performance appraisal of personnel

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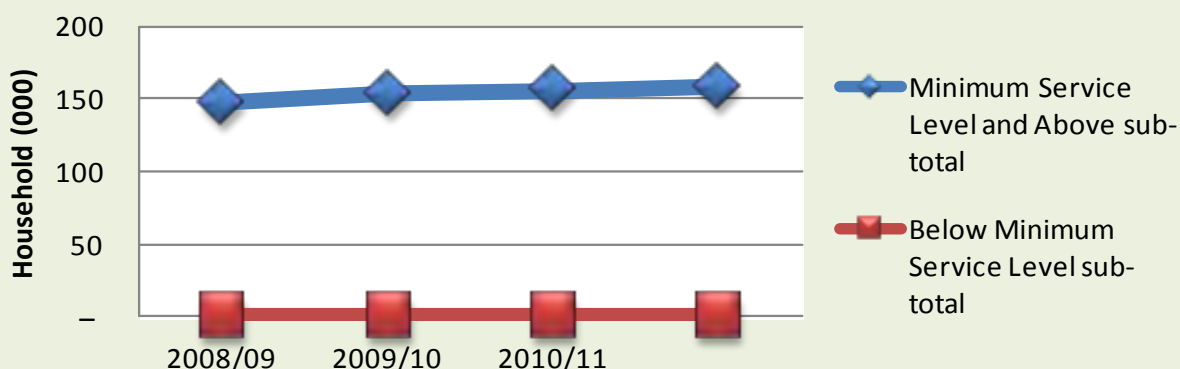
Water Service Delivery Levels				Households
Description	2008/09	2009/10	2010/11	2011/12
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
Water: (above min level)				
Piped water inside dwelling	125,675	126,765	126,968	127,976
Piped water inside yard (but not in dwelling)	21,724	24,659	26,875	27,009
Using public tap (within 200m from dwelling)	-	1,845	1,927	2,850
Other water supply (within 200m)	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	147,399	153,269	155,770	157,835
<i>Minimum Service Level and Above Percentage</i>	99%	99%	99%	99%
Water: (below min level)				
Using public tap (more than 200m from dwelling)	1,845	1,845	1,845	1,845
Other water supply (more than 200m from dwelling)	-	-	-	-
No water supply	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	1,845	1,845	1,845	1,845
<i>Below Minimum Service Level Percentage</i>	1%	1%	1%	0
Total number of households*	149,244	155,114	157,615	159,680
* - To include informal settlements				



Access to Water			
	Proportion of households with access to water points	Proportion of households with access to piped water	Proportion of households receiving 6kℓ free#
2009/10	155,114	151,424	155,114
2010/11	157,615	153,843	157,615
2011/12	159,680	154,985	159,680

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Water: (above min level)



Households - Water Service Delivery Levels below the minimum						
Description	2008/09	2009/10	2010/11	Households		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	149,244	155,114	157,615	157,835	157,835	157,835
Households below minimum service level	-	1,845	1,845	1,845	1,845	1,845
Proportion of households below minimum service level	0%	1%	1%	1%	1%	1%
Informal Settlements						
Total households	0	0	0	0	0	0
Households below minimum service level	0	0	0	0	0	0
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%

EMPLOYEE INFORMATION

Job Level	2010/12		2011/12		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	6	3	3	50%
7 - 9	7	20	6	14	70%
10 - 12	13	30	13	17	57%
13 - 15	0	2	0	2	100%
16 - 18	32	72	31	41	57%
19 - 20	66	80	62	18	23%
Total	122	211	116	95	45%

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Financial Performance 2011/12: Water Services					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	225,443	227,104	235,457	165,238	-37.44%
Expenditure:					
Employees	15,440	16,294	16,686	19,039	14.42%
Repairs and Maintenance	2,357	7,098	5,642	5,016	-41.51%
Other	212,642	212,362	209,562	186,114	-14.10%
Total Operational Expenditure	230,439	235,754	231,890	210,169	-12.17%
Net Operational Expenditure	4,996	8,650	-3,567	44,931	80.75%

CAPITAL EXPENDITURE

Capital Expenditure 2011/12: Water Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget %	Total Project Value
	R	R	R		R
Total All	6,603	6,603	4,258	-55%	
Replacing a minimum of 1,000 bulk water meters greater than 50mm in the KOSH area	2,000	2,000	1,861	-7%	3,000
Refurbishing a minimum of 50 water valves and 2,5 km water network in the KOSH area	1,200	1,200	1,053	-14%	2,700
Refurbishing a minimum of 2,8 km water network in the KOSH area	1,714	1,714	1,344	-28%	4,714
Upgrading of 2,5 Km worn-out water-network in the CBD (Phase 1)	1,689	1,689	0	100%	3,251

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OBJECTIVES TAKEN FROM IDP (Complete Performance Report available on page 149-151 and page 158)

Water Service Policy Objectives Taken From IDP: 2011/12							
Service Objectives	Service Indicators	2010/11		2011/12			2012/13
		Target	Actual	Target		Actual	Target
(i)	(ii)	(iii)	(iv)	Original Target	Adjusted Target	Actual	(x)
				(v)	(vi)	(vii)	
To increase capacity of the zinc tank in Tigane ext 4 to meet community demand	Mℓ capacity increased of the current zinc tank in Tigane ext 4	Refurbishing the zinc tank in Tigane at a cost of R500,000 by June 2011 - Adjustment Budget CC17/2011	None R0.00	Increasing the capacity of the current 0.25 Mℓ zinc tank in Tigane ext 4 to a 0.5 Mℓ zinc tank at a cost of R2,500,000 by June 2012	R1,440,960 (Revised - CC 12/2012)	None R0.00	Increasing the capacity of the current 0.25 Mℓ zinc tank in Tigane ext 4 to a 0.5 Mℓ zinc tank at a cost of R1,440,960 by December 2012
To improve bulk water supply in Khuma (Phase 2) to ensure a basic water service	Bulk water supply improved with a water pressure tower (± 10.8m) for Khuma proper (Phase 2B)	Supplying bulk water with pressure tower (± 10.8m) / pump station in the Khuma areas (Phase 2) at a cost of R6,989,031 by June 2011	2.5 Km R3,842,660	Supplying bulk water pressure tower (± 10.8m) (phase 2B) to Khuma at a cost of R6,794,637 by March 2012	R9,555,953 (Revised - CC 12/2012)	98% Completion R6,004,886	Supplying bulk water pressure tower (± 10.8m) (Phase 2B) to Khuma at a cost of R3,962,121 by September 2012
To supply water from Dawkinsville reservoir to Goudkoppie (N12) to improve the basic water service	Supplying water from Dawkinsville reservoir and the installing bulk line services (± 4,5 km) to Goudkoppie (N12 East areas)(Phase 1)	Supplying water from MIDVAAL reservoir to Dawkinsville reservoir and the installing bulk line services (±4,5km) at Goudkoppie (N12 East areas) at a cost of R4,500,000 by June 2011	0.8 Km R315,000	Supplying water from Dawkinsville reservoir and the installing bulk line services (± 4,5 km) to Goudkoppie (N12 East areas)(Phase 1) at a cost of R4,223,670 by June 2012	N/A	Construction stage R4,009,248	Supplying water from Dawkinsville reservoir and the installing bulk line services (± 4,5 km) to Goudkoppie (N12 East areas)(Phase 2) at a cost of R4,000,000 by June 2013

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COMMENTS ON THE PERFORMANCE OF WATER SERVICES OVERALL

Due to financial difficulty, it was nearly impossible to meet performance targets.

In order to address all the incomplete and “on-hold” projects, steps need to be implemented to ensure forward movement.

NATIONAL KEY PERFORMANCE INDICATOR

See page 121 - 122 for details.

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

The objective of sanitation is:-

To fill vacant positions in order to ensure sufficient maintenance teams for the maintenance of sewer networks and the proper day to day running of the waste water treatment plants, thus rendering effective service delivery to the community.

To complete the upgrading of the Orkney waste water treatment plant, Khuma sewer pump line phase 2 and handing over better sanitation facilities to farm settlements (CPA's).

MEASURES TAKEN TO IMPROVE PERFORMANCE

Through IDP processes all communities are involved to voice their needs to the municipal officials and councillors. The sections provision of service is aimed at ensuring proper rendering of sanitation services while preventing environmental pollution caused by poor sanitation services.

ACHIEVEMENTS

Our milestone for the year was to be one of the top municipalities in terms of progress in achieving the green drop status.

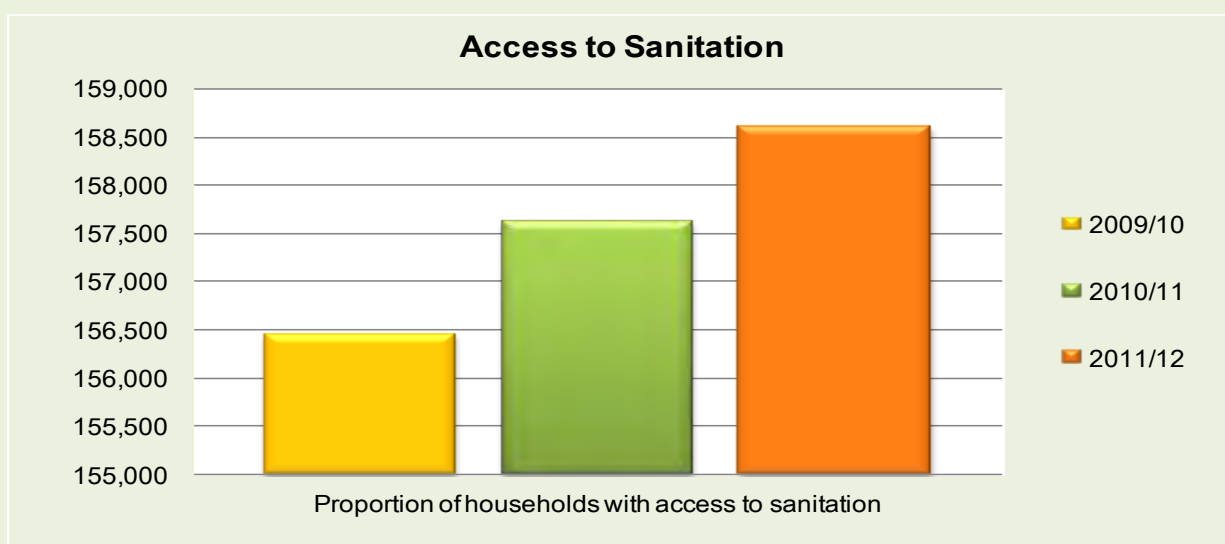
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Sanitation Service Delivery Levels				
Description	2008/09	2009/10	2010/11	*Households
	Outcome	Outcome	Outcome	Actual
	No.	No.	No.	No.
Sanitation/sewerage: (above minimum level)				
Flush toilet (connected to sewerage)	140,948	152,151	152,920	153,920
Flush toilet (with septic tank)	2,096	2,120	2,120	2,120
Chemical toilet	0	0	0	0
Other toilet provisions (above minimum service level)	0	0	0	0
<i>Minimum Service Level and Above sub-total</i>	143,044	154,271	155,040	156,040
<i>Minimum Service Level and Above Percentage</i>	98.0%	97.7%	97.7%	97.7%
Sanitation/sewerage: (below minimum level)				
Bucket toilet	1,583	1,380	1,065	1,065
Pit toilet (ventilated)	1,329	2,175	2,575	2,575
Other toilet provisions (below minimum service level)	0	0	0	0
No toilet provisions	0	0	0	0
<i>Below Minimum Service Level sub-total</i>	2,912	3,555	3,640	3,640
<i>Below Minimum Service Level Percentage</i>	2.0%	2.3%	2.3%	2.3%
Total households	145,956	157,826	158,680	159,680
*Total number of households including informal settlements				



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Households - Sanitation Service Delivery Levels below the minimum						
Description	2008/09	2009/10	2010/11	Households 2011/12		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	143,044	154,271	155,040	156,040	156,040	156,040
Households below minimum service level	1,583	1,380	1,065	1,065	1,065	1,065
Proportion of households below minimum service level	1%	1%	1%	1%	1%	1%
Informal Settlements						
Total households	1,583	1,380	2,575	2,575	2,575	2,575
Households below minimum service level	1,583	1,380	2,575	2,575	2,575	2,575
Proportion of households below minimum service level	100%	100%	100%	100%	100%	100%



SERVICE STATISTICS FOR SANITATION

Description	2009/10	2010/11	2011/12
Nr of sewer blockages cleaned:			
◆ main sewers	10,610	8,240	8,162
◆ private sewers	3,258	3,412	3,821
Nr of new sewer connections installed	25	15	11
Nr of services/repairs of sewer pump stations	160	35	36
Nr of purified sewer samples tested for quality	48	60	60
Length of main sewers cleaned on programme	7 km	15 km	15,978 km

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EMPLOYEE INFORMATION

Employees: Sanitation Services					
Job Level	2010/11	2011/12			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	1	1	0	0%
4 - 6	3	5	3	2	40%
7 - 9	6	11	6	5	45%
10 - 12	21	25	21	4	16%
13 - 15	10	16	9	7	44%
16 - 18	40	63	47	16	25%
19 - 20	94	129	88	41	32%
Total	175	250	175	75	30%

Financial Performance 2011/12: Sanitation Services					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	69,567	102,945	105,945	49,199	-109.24%
Expenditure:					
Employees	11,636	20,114	20,723	24,476	17.82%
Repairs and Maintenance	2,696	3,992	3,692	3,066	-30.20%
Other	35,331	78,625	77,095	22,037	-256.79%
Total Operational Expenditure	49,663	102,731	101,510	49,579	-107.21%
Net Operational Expenditure	-19,904	-214	-4,435	380	156.32%

CAPITAL EXPENDITURE

Capital Expenditure 2011/12: Sanitation Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
	R	R	R	%	R
Total All	625	625	0	100%	
Replacing of mechanical and electrical equipment (2 mechanical screens) and 2 screw pumps at the pump-stations at Republic Park and Khuma main	625	625	0	100%	1600

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OBJECTIVES TAKEN FROM IDP (Complete Performance Report available on page 151 – 153 and page 159)

Sanitation Services Objectives Taken From IDP: 2011/12							
Service Objectives	Service Indicators	2010/11		2011/12			2012/13
		Target	Actual	Target		Actual	Target
(i)	(ii)	(iii)	(iv)	Original Target	Adjusted Target	Actual	(x)
				(v)	(vi)	(vii)	
To increase the holding capacity at the WWTP in Hartbeesfontein to ensure the effluent standards meet the requirements	Increasing the holding capacity at the Hartbeesfontein WWTP (Phase 1)	Increasing the holding capacity at the Hartbeesfontein WWTP (Phase 1) to the capacity from 4Mℓ to 8Mℓ /day at a cost of R5,722,000 by March 2011	None R1,753,046	Increasing the holding capacity at the Hartbeesfontein WWTP (Phase 1) to the capacity from 4Mℓ to 8Mℓ /day at a cost of R5,746,954 by June 2012 (R37,000,000 for 2010 - 2012 Financial Years)	N/A	Civil works 55% completed R454,648	Increasing the holding capacity at the Hartbeesfontein WWTP (Phase 1) mechanical works to the capacity from 4Mℓ to 8Mℓ /day at a cost of R14,392,332 by March 2013
To upgrade the Orkney WWTP (Phase 5) to maintain the existing infrastructure	Upgrading of the Orkney WWTP: Additional Work (Phase 5)	Upgrading of the Orkney WWTP: Additional Work as per program (maintenance) (Phase 5) to the amount of R2,899,100 by December 2010	Additional Work R1,901,100	Upgrading of the Orkney WWTP: Additional Work (maintenance on 2 pumps & 10 motors, 12 aerators and an access roads) (Phase 5) to the amount of R7,100,000 by June 2012	R951,982 (Revised - CC 12/2012)	Additional works completed R875,461 Project completed	N/A
To upgrade the sewer pump line in Khuma (Phase 2) to maintain the existing infrastructure	Km of sewer pump line in Khuma (Phase 2) upgraded	Upgrading of 3,1km sewer pump line in Khuma (Phase 2) to the amount of R3,000,000 by December 2010	2.9 km R2,866,859	Upgrading of 3,1km sewer pump line in Khuma (Phase 2) to the amount of R3,444,091 by June 2012	R577,232 (Revised - CC 12/2012) by June 201	3,1Km sewer pump line upgraded R118,135	N/A
To eradicate the bucket system to eliminate backlogs	Number of bucket system eradicated	Eradicating the bucket system (530 toilets) at an amount of R1,718,484 by March 2011	524 toilets R1,706,784	Eradicating the bucket system (1,061 toilets) at an amount of R11,700 by June 2012	R200,000 (Revised - CC 12/2012)	142 Toilets completed R165,740	N/A

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COMMENTS ON THE PERFORMANCE OF SANITATION SERVICES OVERALL

Priority

- ◆ Increase Capacity Hartbeesfontein Wastewater treatment plant
- ◆ Upgrade the Orkney Wastewater treatment plant
- ◆ Upgrade sewage pump line Khuma Phase 2
- ◆ Upgrade Orkney Wastewater Outfall Sewer Line Phase 4

Due to the reduced budget only three of our four capital projects on the three (3) year plan can be attained within the approved budget plan.

Increase Capacity Hartbeesfontein WWTP could not be attained due to postponement of the project since 2009/10 financial year.

NATIONAL KEY PERFORMANCE INDICATOR

See page 120 - 121 for details.

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

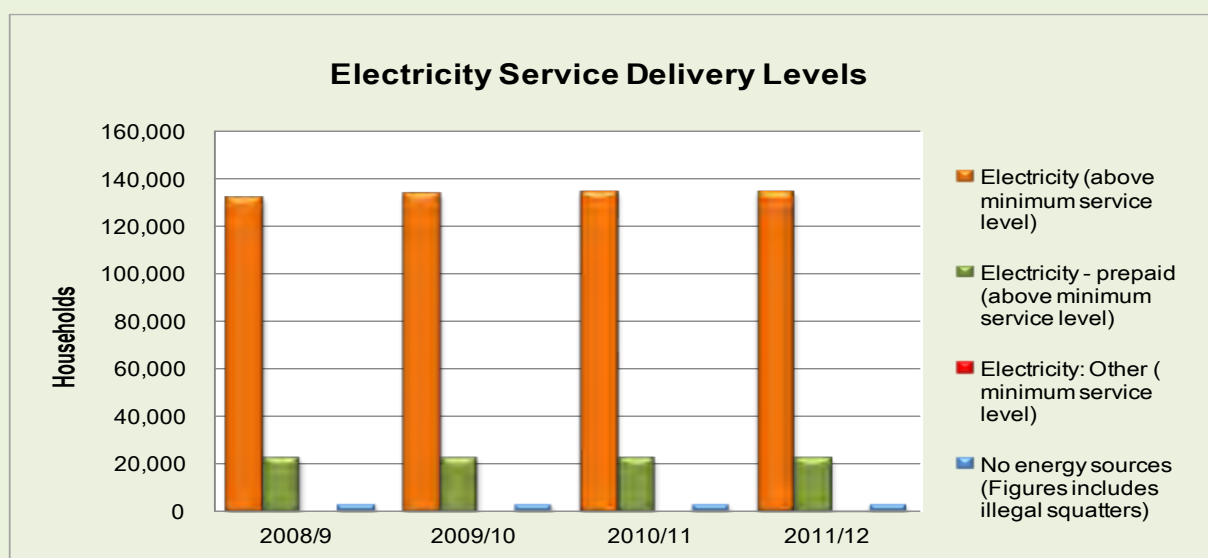
The City of Matlosana has two electricity licensed entities namely City of Matlosana and Eskom providing electricity at household level. The areas under the electricity license of the municipality has addressed the backlog of electricity to 98 % and the areas under Eskom the backlogs has been addressed to 90 % since the inception of the INEP, whereby funding was made available.

The challenges faced in 2011/12 were limited funding and major backlogs, due to the RDP house developments. The municipality used the IDP processes to identify communities living in poverty and sourced funding from government through established programmes to respond to the need for basic services by the communities that are living in poverty.

The municipality formulate projects and for areas under Eskom the municipality submit a list of those projects and Eskom source funding from the INEP programme. Eskom and the municipality are together responsible for the maintenance of the installed network.

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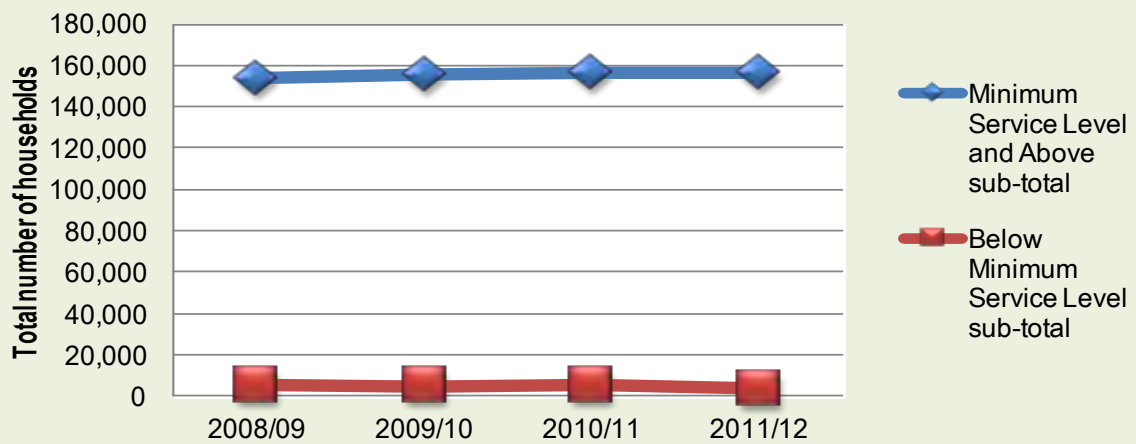
Electricity Service Delivery Levels				
Description	Households			
	2008/9	2009/10	2010/11	2011/12
	No.	No.	No.	No.
Energy: (above minimum level)				
Electricity (above minimum service level)	132,119	133,496	134,239	134,478
Electricity - prepaid (above minimum service level)	21,805	21,944	22,013	22,052
Electricity - other (minimum service level)	0	0	0	785
<i>Minimum Service Level and Above sub-total</i>	153,924	155,440	156,252	157,315
<i>Minimum Service Level and Above Percentage</i>	98.5%	98.5%	98.5%	98.5%
Energy: (below minimum level)				
No energy sources (Figures includes illegal squatters)	2,365	2,365	2,365	2,365
<i>Below Minimum Service Level sub-total</i>	2,365	2,365	2,365	2,365
<i>Below Minimum Service Level Percentage</i>	1.5%	1.5%	1.5%	1.5%
Total number of households	156,289	157,805	158,617	159,680
*Total number of households including informal settlements				



Households - Electrical and Mechanical Engineering Service Delivery Levels below the minimum				
Description	2008/09	2009/10	2010/11	2011/12
	No.	No.	No.	No.
Formal Settlements				
Total households	153,924	155,440	156,252	159,042
Households below minimum service level	1,763	1,763	1,412	0
Proportion of households below minimum service level	1%	1%	1%	0%
Informal Settlements (Un-proclaimed land)				
Total households	2,365	2,365	2,365	1,894
Households below minimum service level	602	602	953	1,109
Proportion of households below minimum service level	25%	25%	40%	59%

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Energy: (above minimum level)



Detail	2009/10	2010/11	2011/12
Complaint Office			
NER Records	16	23	27
Planning			
Request for electrical supply	161	446	94
Cost estimations	160	386	84
Electrical inspections	163	110	414
Electrical construction inspections	106	142	98
Check for electricity theft	129	123	460
Electrical Distribution			
Maintain MV service connection	176	226	238
Maintain transformers	12	138	10
Maintain mini-substations	9	88	4
Maintain LV service connections	9,297	10,549	11,944
Streetlight complaints received	4,911	4,426	6,236
Streetlight complaints repaired in 30 days	4,556	4,732	5,914
Robot inspections	214	268	126
Check batteries in substations	54	287	241
Test protection relay's	18	0	12
Fleet Maintenance			
Number of vehicles serviced	1,350	1,152	1,044
Number of vehicle come-backs	3	5	0
Number of other equipment repaired	381	198	123
Number of equipment come-backs	44	11	0
Mechanical Workshop			
Welding Works	154	145	267
Water pumps received / repaired	98	191	249
Sewerage pumps received / repaired	238	378	681
Vehicles with lifting equipment repaired	44	67	48

Chapter 3

OBJECTIVES TAKEN FROM IDP (Complete Performance Report available on page 154 – 156 and pages 159 - 160)

Electrical and Mechanical Engineering Services Objectives Taken From IDP: 2011/12							
Service Objectives	Service Indicators	2010/11		2011/12			2012/13
		Target	Actual	Target	Actual	Actual	Target
(i)	(ii)	(iii)	(iv)	Original Target (v)	Adjusted Target (vi)	(vii)	(x)
To electrify Jouberton Ext 24 to ensure a basic level of electricity	Number of houses in Jouberton Ext 24 (Phase 2- top-up funds) electrified	Electrification of 368 houses in Jouberton Ext 24 as a cost of R3,493,561 by June 2011	363 Houses R3,493,561	Electrification of 829 houses in Jouberton Ext 24 (Phase 2- top-up funds) at a cost of R8,719,000 by June 2012	N/A	Network to connect 829 houses completed R2,450,505	Electrification of 1,192 houses in Jouberton Ext 24 (ward 12)(Phase 2) at a cost of R8,719,000 by June 2013
To install high mast lights to better service delivery	High mast lights installed	Installing 26 high mast lights in Kanana (at a cost of R5,000,000 by June 2011	26 High mast lights R4,374,596	Installing 4 high mast lights in Alabama ext 3 (phase 3) at a cost of R1,500,000 by June 2012	Kanana R924,000 (Revised - CC 12/2012)	4 High Mast Lights completed	Installing 8 high mast lights in Kanana (ward 22 - 26)(phase 4) at a cost of R600,000 by June 2013
To install high mast lights to better service delivery	High mast lights installed	Installing 26 high mast lights in Tigane-Khuma (ward 4 - 6 lights; ward 5 - 2 lights; ward 6 - 5 lights & ward 7 - 13 lights) at a cost of R5,000,000 by June 2011	26 High mast lights R4,349,331	Installing 4 high mast lights in Tigane (phase 3) at a cost of R1,500,000 by June 2012	Khuma R947,000 (Revised - CC 12/2012)	Project Completed	Installing 8 high mast lights in Tigane (wards 1 & 2)(phase 2) at a cost of R2,000,000 by June 2013
To upgrade Mechanical and Electrical Equipment & Pump stations to ensure the maintenance of the existing infrastructure	Number of mechanical and electrical equipment and pump stations in the KOSH area upgraded	Upgrading of the mechanical and electrical equipment and pump stations (phase 1) to the amount of R975,650 by May 2011	None R0.00	Upgrading of 6 mechanical and electrical equipment and pump stations (phase 2) (Volume 3) to the amount of R13,500,000 by May 2012	N/A	Project 95 % completed R10,358,150	Upgrading of 1 mechanical and electrical equipment in pump station (Volume 3) at Ellaton (ward 8 & 29) to the amount of R2,422,000 by December 2012

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EMPLOYEE INFORMATION

Employees: Electrical and Mechanical Engineering Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	5	6	3	3	50%
4 - 6	11	13	11	2	15%
7 - 9	37	66	35	31	47%
10 - 12	12	19	12	7	37%
13 - 15	6	6	6	0	0%
16 - 18	33	56	31	25	45%
19 - 20	41	49	37	12	24%
Total	145	215	135	80	37%

Financial Performance 2011/12: Electrical and Mechanical Engineering					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	252,597	573,241	509,253	419,890	-36.52%
Expenditure:					
Employees	17,287	23,512	23,512	20,686	-13.66%
Repairs and Maintenance	14,762	19,176	12,768	10,731	-78.70%
Other	213,638	414,775	428,645	394,491	-5.14%
Total Operational Expenditure	245,687	457,463	464,925	425,908	-7.41%
Net Operational Expenditure	-6,910	-115,778	-44,328	6,018	2023.8%

CAPITAL EXPENDITURE

Capital Expenditure 2011/12: Electrical and Mechanical Engineering Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	400	400	0	100%	
Completing the existing building (74m ² new room with a 12m ² covered stoop and 8m ² screen wall) for standby personnel at Klerksdorp electrical department (phase 2)	100	100	0	100%	100

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Purchasing 1 cable gun	200	200	0	100%	200
Purchasing high voltage equipment (6 switching suits & 6 testing equipment)	100	100	0	100%	100

COMMENTS ON THE PERFORMANCE OF ELECTRICAL AND MECHANICAL ENGINEERING OVERALL

The priority of the four largest capital projects is to address electricity backlogs and to ensure that the national basic standard for electricity provision is achieved by 2014 and to address the public lighting in previously disadvantaged communities to ensure provision of a safe economic environment.

The expenditure variance with regard to the operating expenditure is caused by the cash flow situation as result of non-payment for services by consumers. The variance in capital expenditure is due to the fact that Council funded projects had to be cancelled to ease cash flow. Projects linked to grants were not executed as the supply chain processes are cumbersome.

There is an agreement with Eskom with regard to capital projects funded through grants. The target set out in the IDP schedule can not be attended within the approved budget provision, due to the cash flow. With regard to the capital project funds will be sourced from the MIG and INEP for public lighting and provision of electricity respectively.

NATIONAL KEY PERFORMANCE INDICATOR

See page 122 - 123 for details.

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE REMOVAL, ENVIRONMENTAL MANAGEMENT AND LANDFILL SITES)

INTRODUCTION TO WASTE MANAGEMENT

The Cleansing section's function is to provide an acceptable, affordable and sustainable cleansing service to all the residents of Matlosana.

Description of the activity:-

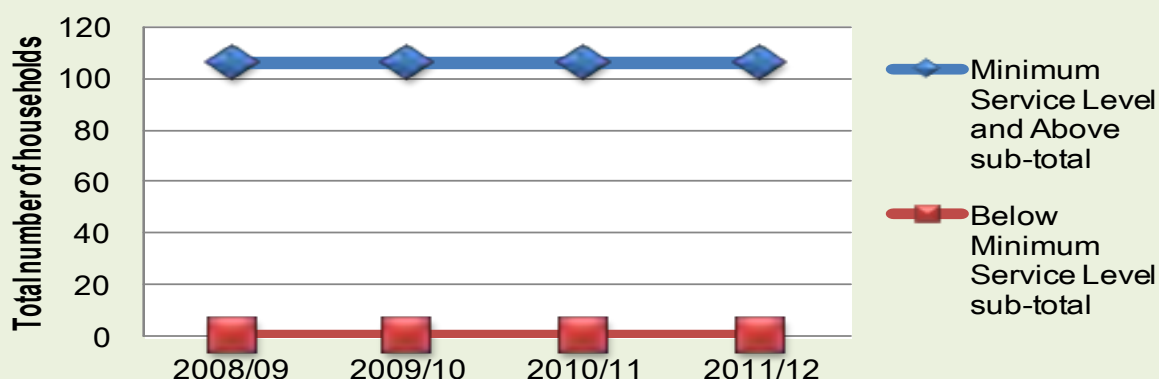
- ◆ Refuse removal
- ◆ Night soil removal
- ◆ Street cleansing
- ◆ Vacuum tanks
- ◆ Public toilets
- ◆ Additional refuse
- ◆ Administration and support system

Strategic objectives:-

- ◆ To render a uniform cleansing service to all communities
- ◆ To implement an effective and sustainable recycling system in Matlosana
- ◆ To obtain funds to purchase mass containers for garden refuse sites
- ◆ To obtain funds to implement garden refuse / recycling sites in Matlosana
- ◆ To exercise law enforcement to eliminate illegal dumping in Matlosana

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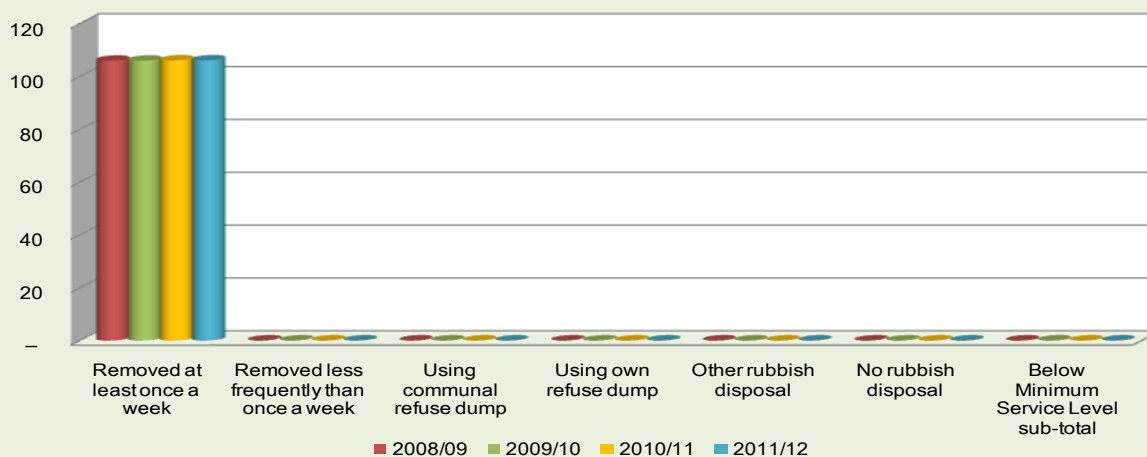
Refuse Removal: (Minimum level)



Solid Waste (Refuse Removal) Service Delivery Levels

Description	Households			
	2008/09 Actual No.	2009/10 Actual No.	2010/11 Actual No.	2011/12 Actual No.
<u>Solid Waste Removal: (Minimum level)</u>				
Removed at least once a week	159,590	159,640	159,660	159,680
<i>Minimum Service Level and Above sub-total</i>	–	–	–	–
<i>Minimum Service Level and Above percentage</i>	100%	100%	100%	100%
<u>Solid Waste Removal: (Below minimum level)</u>				
Removed less frequently than once a week	–	–	–	–
Using communal refuse dump	–	–	–	–
Using own refuse dump	–	–	–	–
Other rubbish disposal	–	–	–	–
No rubbish disposal	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–
<i>Below Minimum Service Level percentage</i>	0%	0%	0%	0%
Total number of households	159,590	159,640	159,660	159,680

Refuse Removal - Service Delivery Levels



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Households - Solid Waste (Refuse Removal) Service Delivery Levels below the minimum						
Description	2008/09	2009/10	2010/11	2011/12		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	159,590	159,640	159,660	159,680	159,590	159,640
Households below minimum service level	0	0	0	0	0	0
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%
Informal Settlements						
Total households	–	–	–	–	–	–
Households below minimum service level	–	–	–	–	–	–
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%

EMPLOYEE INFORMATION

Employees: Waste Management Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	1	1	50%
4 - 6	2	4	2	2	50%
7 - 9	6	11	6	5	45%
10 - 12	17	53	16	37	70%
13 - 15	29	50	28	22	44%
16 - 18	9	14	9	5	36%
19 - 20	332	436	323	113	26%
Total	397	570	385	185	32%
<i>Totals include Refuse Removal, Environmental Management, Landfill Sites and Administration</i>					

Financial Performance 2011/12: Waste Management Services					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	75,686	114,844	118,444	118,601	3.17%
Expenditure:					
Employees	28,164	45,475	46,065	41,652	-9.18%
Repairs and Maintenance	2,710	3,816	3,809	2,796	-36.48%
Other	32,321	48,563	48,085	47,399	-2.46%
Total Operational Expenditure	63,195	97,854	97,959	91,847	-6.54%
Net Operational Expenditure	-12,491	-16,990	-20,485	-26,754	36.50%
<i>Totals include Refuse Removal, Environmental Management, Landfill Sites and Administration</i>					

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CAPITAL EXPENDITURE

Capital Expenditure 2011/12: Waste Management (Refuse Removal & Environmental Management) Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
	R	R	R	%	R
Total All	150	621	0	100%	
Purchasing 1,000-2,400 plastic containers (85ℓ) for the KOSH area	150	621	0	100%	621

COMMENTS ON THE PERFORMANCE OF REFUSE REMOVAL AND ENVIRONMENTAL MANAGEMENT OVERALL

The Cleansing section is currently not having any capital projects running.

There are two Expanded Public Works Programme projects in progress for cleaning the environment that will be registered as projects at the Department of Public Works. The variation from the planned projects is due to restrictions on the capital budget for the 2012/2013 financial year.

New capital projects will be proposed during the 2012/13 financial year adjustment budget for new 1.1m³, 240ℓ and 85ℓ refuse containers for new developments and replacements.

NATIONAL KEY PERFORMANCE INDICATOR

See page 123 for details.

3.5 HUMAN SETTLEMENTS

INTRODUCTION TO HUMAN SETTLEMENTS

To accelerate housing delivery through efficient and effective management and quality service delivery as well as through integrated and collective sustainable housing programmes. Our priority is to eradicate informal Settlements and give our communities a dignity they deserve as contained in the Constitution of the Republic of South Africa.

The objectives of Human Settlements are:-

- ◆ To ensure the implementation of housing policies.
- ◆ To ensure that all incomplete housing projects are unblocked and completed.
- ◆ To obtain housing accreditation
- ◆ To improve systems and structures for the management of housing disputes.

The goals for the section are:-

- ◆ To improve living conditions of households in Matlosana

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- ◆ Accelerate access to housing.
- ◆ Ensure participation of the community in housing development planning

The challenges experienced are:-

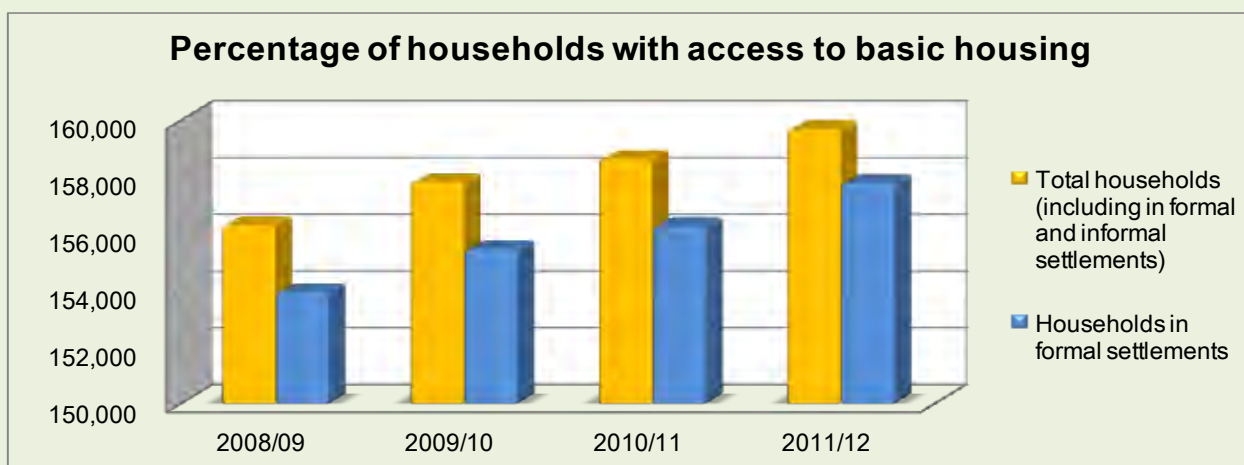
- ◆ Ever rising housing backlog
- ◆ Lack of suitable land for human settlements development.
- ◆ Blocked housing projects.
- ◆ Abandoned RDP houses due to closure of mines
- ◆ Shortage of skilled personnel within the Housing Department.
- ◆ Illegal occupation of land and RDP houses.

The following housing projects are planned for completion within the 2012/13 financial year:-

- ◆ Khuma Ext. 1,3,4, & 5 (168 units)
- ◆ Khuma Ext. 8 & 9
- ◆ Jouberton Ext. 1 & 5 (35 units)
- ◆ Jouberton Ext. 16 (60)
- ◆ Jouberton Ext. 9, 11, 12, 13, 15, &18 (56 units)
- ◆ Jouberton Ext. 10 (521 units)
- ◆ Jouberton Ext. 13 (205 units)
- ◆ Jouberton Ext. 7 (34 units)
- ◆ Kanana Ext. 7 (124 units)

All the remaining blocked housing projects must be unblocked as soon as the above projects are completed and closed.

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2008/09	156,289	153,924	98.5%
2009/10	157,805	155,440	98.5%
2010/11	158,617	156,252	98.5%
2011/12	159,680	157,786	98.8%



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EMPLOYEE INFORMATION

Employees: Human Settlements					
Job Level	2010/11	2011/12			
	Employees No.	Posts No.	Employees No.	Vacancies (full-time equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	1	1	0	0%
4 - 6	4	6	2	4	67%
7 - 9	4	8	4	4	50%
10 - 12	3	3	3	0	0%
13 - 15	7	12	5	7	58%
16 - 18	0	1	0	1	100%
19 - 20	1	2	1	1	50%
Total	20	33	16	17	52%

Financial Performance 2011/12: Human Settlements					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1,063	2,832	4,570	3,026	6.41%
Expenditure:					
Employees	4,631	5,965	6,018	4,917	-21.31%
Repairs and Maintenance	206	60	248	136	55.88%
Other	1,899	3,757	2,800	2,203	-70.54%
Total Operational Expenditure	6,736	9,782	9,066	7,256	-34.81%
Net Operational Expenditure	5,673	6,950	4,496	4,230	-64.30%

CAPITAL EXPENDITURE

Capital Expenditure 2011/12: Human Settlements					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
	R	R	R	%	R
Total All	1,024	224	0	100%	
Transferring 1,900 Title Deeds of pre 1994 old stock houses through the Deeds Office to the beneficiaries	500	0	0	100%	1,000
De-registering of Title Deeds	524	224	0	100%	1,240
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

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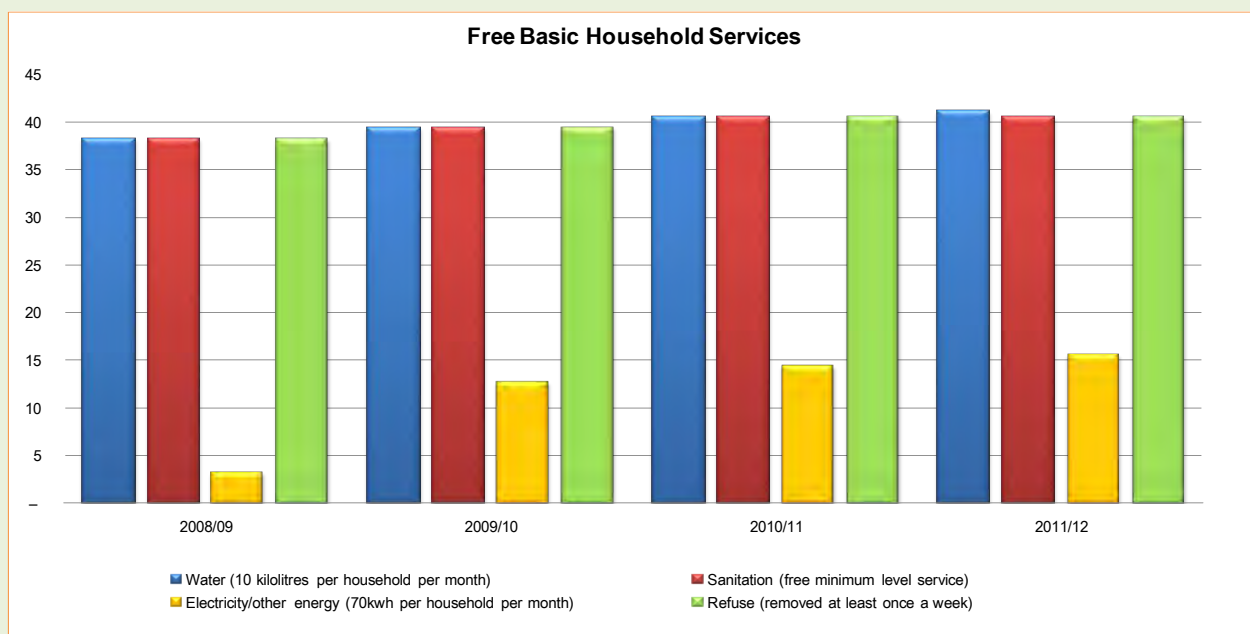
COMMENTS ON THE PERFORMANCE OF HUMAN SETTLEMENTS OVERALL

The City of Matlosana had no housing projects allocated on the IDP. The housing project was implemented by the Provincial Department of Human Settlements.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

- ◆ The Council accepts that they are responsible for the rendering of services in terms of schedules 4 and 5 of the Constitution as well as other services which may be delegated by National and Provincial Government.
- ◆ Main sources of income consist of transfers from other spheres of government of which intergovernmental transfers are the most important. A portion of this income (equitable share) is earmarked for indigent relief which will be used to alleviate and address poverty.
- ◆ In conclusion the council has made a few changes in the indigent and credit control policies to improve the benefits for indigents.



Free Basic Services To Low Income Households: 2011/12										
Financial Year	Earning less than R	Number of households								
		Households earning less than R2,280 per month								
		Total	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
			Access	%	Access	%	Access	%	Access	%
2009/10	2,020	39,510	39,510	100%	39,510	100%	12,684	32%	39,510	100%
2010/11	2,160	40,629	40,629	100%	40,629	100%	14,376	35%	40,629	100%
2011/12	2,280	41,125	41,125	100%	41,125	100%	15,561	38%	41,125	100%

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Financial Performance 2011/12: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2010/11	2011/12			
	Actual	Budget	Adjustment	Actual	Variance to
	R	R	Budget R	R	Budget %
Water	16,750	18,000	N/A	18,054	0%
Waste Water (Sanitation)	23,244	25,000	N/A	25,488	2%
Electricity	9,238	16,000	N/A	18,000	11%
Waste Management (Solid Waste)	34,028	35,000	N/A	37,098	6%
Rates	11,973	12,000	N/A	12,471	4%
Total	95,233	106,000	-	111,111	5%

COMMENTS ON FREE BASIC SERVICES AND INDIGENT SUPPORT

LEVEL OF INDIGENT SUPPORT

In terms of Clause 4(vi) of the Indigent policy that was approved by Council for the 2011/2012 budget, effective 01 July 2012, households that have a total household income of less than R2,280 .00 per month or equal to two old age pension grants, may apply for indigent support.

Every approved indigent consumer receives the following subsidy allocations:-

- ◆ **Water:** A subsidy amount equal to the value of 10kl water and thereafter normal tariffs will apply. Above 6kl will not be subsidized at all.
- ◆ **Refuse removal:** Removal once (1) a week of 85 or 240ℓ container: Free of charge per month
- ◆ **Sewerage:** Cost of drainage basic charge plus additional sewerage charge per dwelling house: Free of charge per month.
- ◆ **Electricity:**
 - Units - A maximum of 70 kWh per month free of charge
 - Basic Electricity no levy per month – Free of charge
- ◆ **Alternative energy:**
 - Indigent consumers who do not have access to electricity qualify for alternative energy sources.
 - Once off supply of a paraffin stove as well as a paraffin lamp free of charge 20ℓ of paraffin per month, free of charge.
- ◆ **Property rates:** 100% of the balance of the rates subject to the conditions as per the Property Rates Policy.

Funds Utilized 2011/2012

	FBS Water	FBS Refuse	FBS Sewer	FBS FBE	FBS FBAE	100% Rates	FBS Totals
Budgeted	18,054,000	37,170,000	25,488,000	10,000,000	8,000,000	12,471,200	111,183,200
Total Utilized 2011/2012	19,039,837	36,623,022	24,652,846	6,825,789	7,846,575	12,798,207	107,786,276
Balance 30 June 2012	(985,837)	546,978	835,154	3,174,211	153,425	(327,007)	3,396,924

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Service backlogs at schools and clinics and service backlogs experienced by the community where another sphere of government is responsible for service provision can be seen in **Appendix L** and **M**, respectively.

NATIONAL KEY PERFORMANCE INDICATOR

See page 126 – 127 for details.

COMPONENT B: ROAD TRANSPORT

This component includes: roads and storm-water drainage and licensing.

3.7 ROADS AND STORM-WATER DRAINAGE

INTRODUCTION TO ROADS AND STORM-WATER DRAINAGE

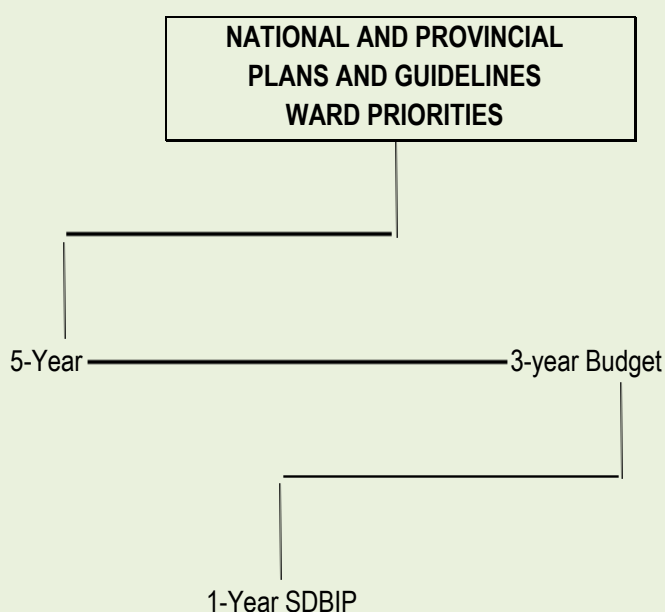
The objectives of roads and storm-water drainage are:-

- ◆ To provide safe and quality infrastructure for the people of Matlosana
- ◆ To channel storm-water from our residential area, industrial areas, school, parks, cities, etc to nearby spruits; through the storm-water infrastructure
- ◆ To provide a healthy and safe environment to our community.

I.Q Consulting Engineers is in the final stages of developing a Road Master Plan across the City of Matlosana. This will create a clear picture of our road network.

DWP Consulting Engineers were appointed in 2010 for the Storm-water Master Plan and we are busy negotiating with the same Consultants for the developing of a Storm-water Development Plan.

HOW DO WE IMPLEMENT OUR STRATEGY



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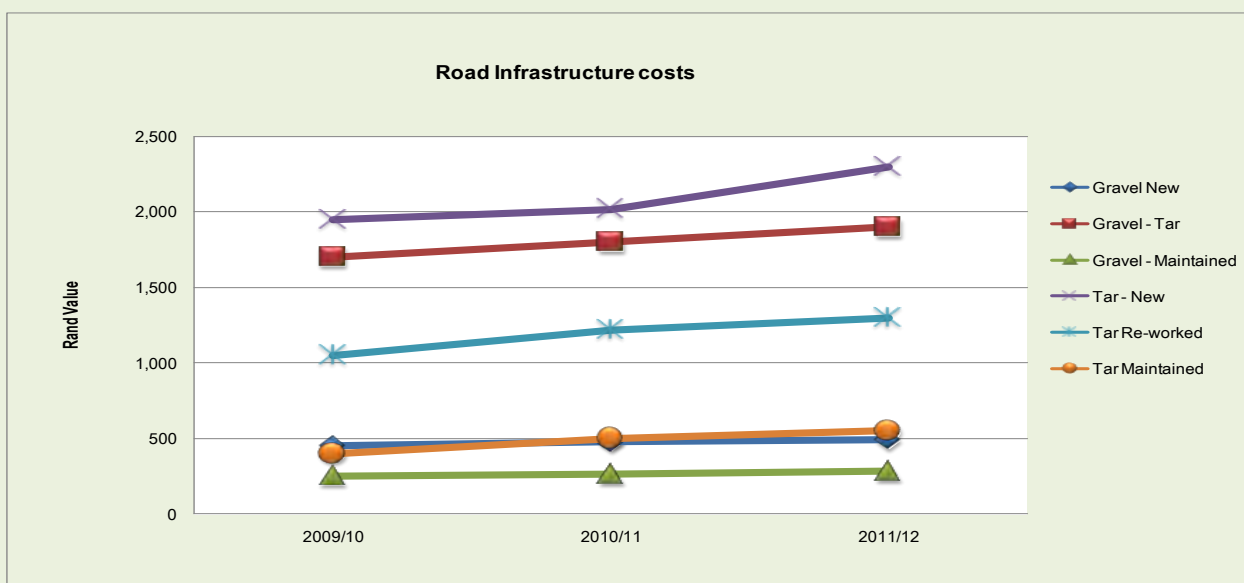
Implementation ———— Performance ———— Annual
Assessment Report

We also push for the development of our people and alleviation of poverty by creation of jobs through the EPWP Programme.

Through the implementation of storm-water projects, City of Matlosana plays a role in development of its people and poverty alleviation.

Gravel Road Infrastructure				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Kilometers Gravel roads graded / maintained
2009/10	491	0	9	100
2010/11	467	0	23	120
2011/12	452	0	15	140

Tarred Road Infrastructure					
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Kilometres Tar roads maintained
2009/10	753.91	12.3	0	0	100
2010/11	766	15.05	0	0	120
2011/12	781	14.7	0	0	140



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Cost of Construction / Maintenance							R' 000
	Gravel			Tar			
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained	
2009/10	450	1,700	250	1,950	1,050	400	
2010/11	475	1,800	260	2,020	1,220	500	
2011/12	490	1,900	280	2,300	1,300	550	

EMPLOYEE INFORMATION

Employees: Road Services and Storm-Water Drainage					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	2	0	2	100%
4 - 6	4	4	3	1	25%
7 - 9	15	17	14	3	18%
10 - 12	31	49	30	19	39%
13 - 15	6	6	6	0	0%
16 - 18	27	33	26	7	21%
19 - 20	112	126	107	19	15%
Total	196	237	186	51	22%

Totals include Roads, Storm-Water Drainage and Administration

Financial Performance 2011/12: Road Services and Storm-Water Drainage						R'000
Details	2010/11	2011/12				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	25	33	33	-	0.00%	
Expenditure:						
Employees	24,982	17,760	18,927	25,415	30.12%	
Repairs and Maintenance	11,981	13,259	10,797	8,089	-63.91%	
Other	74,778	78,898	77,847	68,246	-15.61%	
Total Operational Expenditure	111,741	109,917	107,571	101,750	-8.03%	
Net Operational Expenditure	111,716	109,884	107,538	101,750	-7.99%	

Totals include Roads, Storm-Water Drainage and Administration

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OBJECTIVES TAKEN FROM IDP (Complete Performance Report available on page 143 – 149 and pages 157 - 158)

Roads and Storm-water Drainage Objectives Taken From IDP: 2011/12							
Service Objectives (i)	Service Indicators (ii)	2010/11		2011/12			2012/13
		Target	Actual	Target		Actual	Target
		(iii)	(iv)	Original Target (v)	Adjusted Target (vi)	Actual (vii)	(x)
To pave taxi routes and upgrade storm water drainage systems to ensure a better accessibility to the community	Km taxi routes paved and storm water drainage system upgraded as per program in Jouberton (Phase 5)	Paving of 5,97km taxi routes and upgrading of storm water drainage system in Jouberton (Phase 4) at a cost of R13,829,699 by June 2011	5.97 Km Road paved R12,897,656 Phase 4 completed	Paving of 5.1 km taxi routes and upgrading of storm water drainage system as per program in Jouberton (Phase 5) at a cost of R8,500,000 by June 2012	R5,500,000 (Revised - CC 12/2012)	Consultant appointed R9,202	Paving of 5.1 km taxi routes and upgrading of storm water drainage system as per program in Jouberton (Phase 5) at a cost of R5,500,000 by June 2013
To pave taxi routes and upgrade storm water drainage systems to ensure a better accessibility to the community	Km taxi routes paved and storm water drainage system upgraded as per program in Tigane (Phase 5)	Paving of 3,778 km taxi routes and storm-water drainage system upgraded in Tigane (Phase 4) at a cost of R8,353,228 by March 2011	2.3 Km R4,166,272	Paving of 3.2 km taxi routes and upgrading of storm water drainage system as per program in Tigane (Ph 5) at a cost of R6,000,000 by June 2012	R4,000,000 (Revised - CC 12/2012)	Consultant appointed R16,160	Paving of 3.2 km taxi routes and upgrading of storm water drainage system as per program in Tigane (Phase 5) at a cost of R4,000,000 by June 2013
To pave taxi routes and upgrade storm water drainage systems to ensure a better accessibility to the community	Km taxi routes paved and storm water drainage system upgraded as per program in Alabama (Phase 4)	Paving of 3.67 km taxi routes and upgrading of storm water drainage system in Alabama (Phase 3) at a cost of R7,359,095 by March 2011	1,07 km R0.00	Paving of 2.6 km taxi routes and upgrading of storm water drainage system as per program in Alabama (Phase 4) at a cost of R5,000,000 by June 2012	R4,000,000 (Revised - CC 12/2012)	Consultant appointed R1,825	Paving of 2.6 km taxi routes and upgrading of storm water drainage system as per program in Alabama (Phase 4) at a cost of R4,000,000 by June 2013
To pave taxi routes and upgrade storm water drainage systems to ensure a better accessibility to the community	Km taxi routes paved and storm water drainage system upgraded as per program in Kanana (Lenong Road)	Paving of 1,55 km and 1,4km rehabilitation of taxi routes and upgrading of storm water drainage system in Kanana (Lenong Road) at a cost of R6,500,000 by Dec2010	Lay works & kerbing done R1,691,534	Paving of 1,55 km and 1,4km rehabilitation of taxi routes and upgrading of storm water drainage system in Kanana (Lenong Road) at a cost of R5,108,465 by June 2012	N/A	New Contractor appointed R447,327	Paving of 1,55 km and 1,4km rehabilitation of taxi routes and upgrading of storm water drainage system in Kanana (Lenong Road)(Phase 2B) at a cost of R2,957,973 by Mar 2013

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CAPITAL EXPENDITURE

Capital Expenditure 2011/12 Road and Storm-Water Drainage					R' 000
Capital Projects	2011/12				
	Budget R	Adjustment Budget R	Actual Expenditure R	Variance from original budget %	Total Project Value R
Total All	5,820	0	4,326	-35%	
Constructing of Mokatatsie Street	305	N/A	210	-45%	347
Resealing of 5 km roads in the KOSH	4,116	N/A	4,116	0%	18,200
Rehabilitating of old landfill sites at Stilfontein, Klerksdorp & Orkney (investigations by professional service providers)	1399	N/A	0	-100%	1,399

COMMENT ON THE PERFORMANCE OF ROADS AND STORM-WATER DRAINAGE OVERALL

A storm-water master plan was developed for the City of Matlosana in the 2010/2011 financial year. A storm-water development plan is still to be developed to identify the gaps of what we have and what is needed in terms of storm-water. In 2012/2013 Vuk'uphile emerging contractors are going to be appointed for implementation of storm-water infrastructure, also trying to alleviate poverty in the process by creating job opportunities.

3.8 LICENSING

INTRODUCTION TO LICENSING

The purpose of licensing is:-

- ◆ To provide effective and efficient motor vehicle registration and driver's license activities
- ◆ To ensure responsible driving on the road of members of public
- ◆ To ensure road worthiness of vehicles with safe driving with testing of motor vehicles facilities
- ◆ To ensure the trade of legal business, hawkers and motor dealers

Strategies:-

- ◆ To ensure the provision of effective service for registration and licensing
- ◆ To inform members of public of the registration procedures
- ◆ To ensure the provision of effective vehicle testing services
- ◆ To ensure effective driving license services
- ◆ To inform public members about driving license procedures
- ◆ To ensure effective inspections on businesses and hawkers
- ◆ To ensure proper services for stand hiring
- ◆ Submission of request for payment of fees to province, Prodiba and RTMC

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Challenges faced:-

- ◆ Shortage of qualified Examiners of Driver's Licenses
- ◆ Curbing of corruption by introducing the best practice model
- ◆ Introducing a drive through system for renewal of vehicle licenses
- ◆ Joint operations for the check-up of business licenses and hawkers
- ◆ Completion of the turning radius at Hartbeesfontein vehicle testing centre
- ◆ by insuring that the tender is forwarded and finalize
- ◆ Completion of installing of load axle mass and play detectors at vehicle testing centers by insuring that the tender is finalize
- ◆ To ensure payments to province, Prodiba and RTMC is process
- ◆ To ensure sufficient control over daily balancing and correct banking of money received
- ◆ Completion of refurbishment of buildings
- ◆ Completion of minor outstanding issues on the refurbishment of building / offices

Major success achieved:-

- ◆ Purchase of the new eye autorator
- ◆ Completion of refurbishment of turning radius at Orkney
- ◆ Increase of income on driver's license due to quality service delivery
- ◆ Completion of refurbishment of buildings except for minor outstanding issues
- ◆ Purchase of 18 tables and 18 chairs for the learners classroom at Hartbeesfontein
- ◆ Purchase of 8 heavy duty chairs

SERVICE STATISTICS FOR LICENSING SERVICES

Description	2009/10	2010/11	2011/12	COST (R)
Registration of vehicles	33,296	36,543	38,693	3,876,358
Licensing / Renewal of vehicle licenses	98,625	98,686	100,201	47,720,030
Issue of Permits	5,786	6,015	6,168	693,316
Application and renewal of Motor Trade Plates	173	180	176	131,266
Application and issue of Business Licenses, Hawkers and stands	980	1,330	1,436	228,668
Application and issue of certification of roadworthy certificates of motor vehicles	4,849	4,316	5,223	592,894
Weighbridge certificate of vehicles	921	1,315	1,623	65,480
Application and issue of Learner's Licenses	12,822	14,740	15,577	1,962,678
Application and issue of Driver's Licenses	5,617	8,320	8,856	2,070,300
Application for Professional Driving Permits	3,116	3,492	3,249	408,108
Renewal of Driver's Licenses	11,918	11,444	11,615	2,540,646
Temporary Driver's Licenses	6,395	6,483	6,978	495,769
Road Traffic Management Corporation	88,657	89,782	91,094	3,238,486

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EMPLOYEE INFORMATION

Employees: Licensing Service					
Job Level	2010/11	2011/12			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	1	1	0	0%
4 - 6	2	1	1	0	0%
7 - 9	24	27	24	3	11%
10 - 12	19	21	19	2	10%
13 - 15	8	10	7	3	30%
16 - 18	4	5	3	2	40%
19 - 20	7	8	6	2	25%
Total	65	73	61	12	16%

Financial Performance 2011/12: Licensing Services					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	67,257	75,502	76,302	69,431	-8.74%
Expenditure:					
Employees	10,623	11,828	11,976	12,327	4.05%
Repairs and Maintenance	237	361	296	104	-247.12%
Other	54,463	61,381	61,357	55,344	-10.91%
Total Operational Expenditure	65,323	73,570	73,629	67,775	-8.55%
Net Operational Expenditure	-1,934	-1,932	-2,673	-1,656	-16.67%

CAPITAL EXPENDITURE

Capital Expenditure 2011/12: Licensing Services					
R' 000					
Capital Projects	2011/12				
	Budget R	Adjustment Budget R	Actual Expenditure R	Variance from original budget %	Total Project Value R
Total All	492	N/A	166	-196%	
Refurbishing the Orkney learners license hall and vehicle turning radius	200	N/A	119	-68%	200
Refurbishing the live scan office and waiting room in the Orkney driver's section	60	N/A	17	-253%	60

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Replacing 1 broken eye testing apparatus at the Stilfontein licensing offices	32	N/A	30	-7%	32
Purchasing and installing 1 load axle mass for the Klerksdorp vehicle testing stations	200	N/A	0	-100%	200

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; local economic development; fresh produce market and strategic & regulatory.

3.9 PLANNING (INCLUDING TOWN-PLANNING, BUILDING SURVEY, BUILDING CONSTRUCTION AND PMU)

INTRODUCTION TO PLANNING

Physical Planning	
Opportunities	Challenges
Klerksdorp Land Use Management Scheme 2005 (town-planning scheme) is in place and enforced SDF in place as a guideline	Shortage of personnel to enforce the Klerksdorp Land Use Management Scheme 2005

Service Delivery Priorities		
Opportunities	Challenges	Measures taken to improve
Establishment of townships	Budget	Projects funded through IDP 2012/2013
Enforcement of Klerksdorp Land Use Management Scheme 2005	Shortage of personnel	Post advertised through HR
Review of Town planning SDF and town planning scheme	Budget	Budgeted for

SERVICE STATISTICS FOR PLANNING

Development Planning and Building Control

Detail	2009/10	2010/11	2011/12
Detail of building plans			
◆ Number of building plans approved (excluding low cost housing)	1,114	1,130	1,203
Value of building plans approved	R474,618,400	R376,165,000	R431,529,600
Number of applications received for:			
◆ Township establishment	6	3	19
◆ Rezoning	84	72	48
◆ Special consent	12	7	8

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Building Construction

Detail	2009/10 R	2010/11 R	2011/12 R
Value of work completed:			
◆ Maintenance on buildings	2,171,880	2,680,848	2,911,654
◆ Capital work			
Departmental	4,705,210	8,051,886	536,738
Consultants	3,523,022	9,040,732	5,446,348
MIG	4,265,916	2,565,530	504,632

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12
Planning application received	3	19	72	48	1,348	1,400
Determination made in year of receipt	4	5	50	70	700	800
Determination made in following year	5	10	70	70	800	1,000
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year end	0	0	0	0	16	25

EMPLOYEE INFORMATION

Employees: Planning Services					
Job Level	2010/11	2011/12			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	3	1	2	0%
4 - 6	5	7	4	3	67%
7 - 9	17	21	17	4	50%
10 - 12	9	13	8	5	0%
13 - 15	8	9	8	1	58%
16 - 18	10	14	10	4	100%
19 - 20	1	1	1	0	50%
Total	51	68	49	19	28%
Totals include Town-Planning, Building Survey, Building Construction and PMU					

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Financial Performance 2011/12: Planning Services					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2,929	5,898	4,553	1,112	-430.40%
Expenditure:					
Employees	6,284	10,936	10,423	10,747	-1.76%
Repairs and Maintenance	105	363	359	127	-185.83%
Other	1,366	1,288	18,441	13,255	90.28%
Total Operational Expenditure	7,755	12,587	29,223	24,129	47.83%
Net Operational Expenditure	4,826	6,689	24,670	23,017	70.94%
<i>Totals include Town-Planning, Building Survey and Building Construction</i>					

3.10 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM)

INTRODUCTION TO ECONOMIC DEVELOPMENT

The strategy provides a framework within which to develop partnerships with businesses and society to have economic initiatives, and guidance to maintain high quality core infrastructure that serve key economic nodes in the City of Matlosana. The EDS seeks to improve the business environment within key economic nodes to encourage growth and further investment. It provides the framework for the identification and development of catalytic projects, which act to initiate development in key sectors and priority areas. The strategy encourages broad based black economic empowerment (BBBEE) through the municipal's procurement and tendering, as well as actively promoting small, medium and micro enterprises (SMME's), and facilitating their linkages to the City's mainstream economy in a synergistic way that supports the overall growth of the local economy.

Economic Employment by Sector						
Sector	2010/11		2011/12		2011/12/13	
	No. of Jobs	R '000	No. of Jobs	R '000	No. of Jobs	R '000
Agric, forestry and fishing	76	1,500	56	633	-	-
Manufacturing	286	286	255	462	-	-
Wholesale and retail trade	-	-	-	323	-	-
Govt, community and social services	-	1,200	-	-	-	-
Infrastructure services	650	8,365	706	8,365	102	1,525
Total	1,012	11,351	1,017	9,783	102	1,525

COMMENT ON LOCAL JOB OPPORTUNITIES

Most of the jobs were created on a short term basis and we're anticipating creating long term employment following the building of the new mall in Jouberton and also through the following municipal projects:

- ◆ Regional Mall

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- ◆ Rural Development
- ◆ Macro Processing Plant
- ◆ N12 Beautification
- ◆ Recycling
- ◆ CBD Revitalization
- ◆ Bishop Tutu Heritage Site

The municipality has built hawkers stalls for the informal traders in Klerksdorp and Tigane to enhance job creation.

Jobs Created during 2011/12 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
2009/10	362	0	362	local inspection
2010/11	311	0	311	local inspection
2011/12	0	0	0	

Job creation through EPWP* projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2009/10	20	650
2010/11	12	706
2011/12	2	102
* - Extended Public Works Programme		

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OBJECTIVES TAKEN FROM IDP (Complete Performance Report available on page 157)

Local Economic Development Objectives Taken From IDP: 2011/12							
Service Objectives (i)	Service Indicators (ii)	2010/11		2011/12			2012/13
		Target (iii)	Actual (iv)	Target		Actual	Target (x)
				Original Target (v)	Adjusted Target (vi)	Actual (vii)	
To conduct township regeneration studies to enhance job creation	Number of feasibility and viability studies conducted for economic analysis	N/A	N/A	Conducting 5 feasibility and viability studies for economic analysis in Jouberton, Alabama, Kanana, Khuma and Tigane at a cost of R3,000,000 by June 2012	N/A	Feasibility and viability studies approved by Council (NDP Grant)	N/A

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EMPLOYEE INFORMATION

Employees: Local Economic Development					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	2	2	0	0%
4 - 6	5	7	6	1	14%
7 - 9	2	4	4	0	0%
10 - 12	3	7	4	3	43%
13 - 15	0	0	0	0	N/A
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	N/A
Total	12	21	17	4	19%

Financial Performance 2011/12: Local Economic Development Services					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	100	-	-	-	0%
Expenditure:					
Employees	2,406	3,845	4,129	3,749	-2.56%
Repairs and Maintenance	8,830	88	72	9	-838.67%
Other	6,030	8,208	8,419	2,776	-195.72%
Total Operational Expenditure	17,266	12,141	12,620	6,534	-85.81%
Net Operational Expenditure	17,266	12,141	12,620	6,534	-85.81%

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL

- ◆ Neighborhood Development Programme: A consultant has been appointed to do the township regeneration study and has been completed during the 2011/12 financial year.
- ◆ Rural Development: Council requested financial assistance from the district municipality for the purchasing of farming equipment and machinery for utilization by the emerging farmers. Approval was granted and the district municipality purchased farming equipment and machinery for utilization by the emerging farmers.
- ◆ Expanded Public Works Programme: Working closely with Civil Engineering Department on EPWP contractor development programme.
- ◆ Transport Logistic Indaba: The City is positioning itself as the next transport hub and hosted Traloba which will be an annual event.
- ◆ Socio Economic Analysis: An in-depth research on Socio Economic Analysis is to be conducted during 2011/12 financial year tender to be advertised during July.

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- ◆ N12 Development: Negotiations were successfully conducted for the N12 West Development, the Tower Mall between Jouberton and Alabama. (Construction will start during 2012/13)

NATIONAL KEY PERFORMANCE INDICATOR

See page 124 for detail.

3.11 FRESH PRODUCE MARKET

INTRODUCTION TO THE FRESH PRODUCE MARKET

The aim of the Fresh Produce Market is to have an equally balanced supply and consumption of quality fruits and vegetables; encourage and promote appropriate initiatives with a significant contribution to the local economic development of the City of Matlosana and the North West Province.

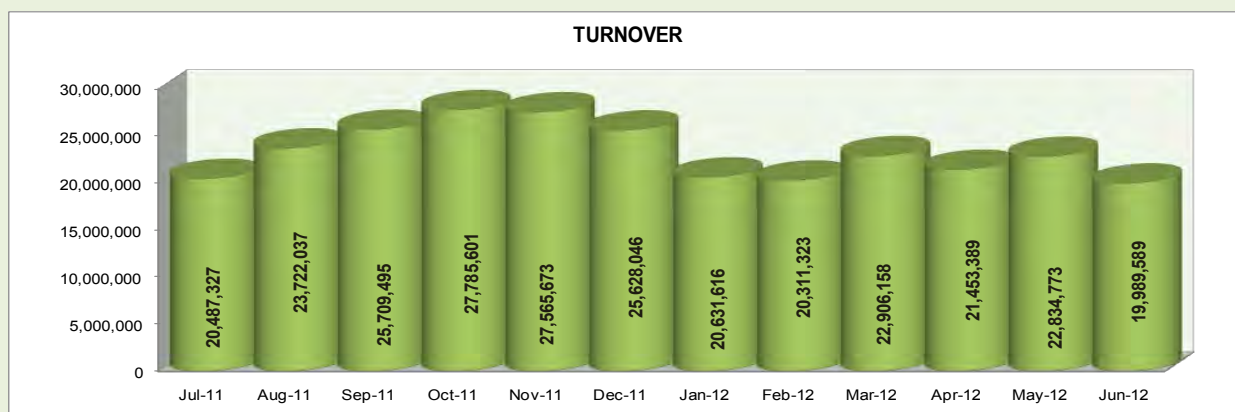
The market's main objective is to create a fair trading platform for quality fruits and vegetables:-

- ◆ Provide facility for trading, storage and logistical enhancement.
- ◆ Encourage consumption of fruits and vegetables for healthier and better lifestyles, through 5-a-day for better health campaigns.
- ◆ Encourage and support SMME development (emerging producers & informal traders within the industry).
- ◆ Contribute towards the local economy of the greater Matlosana.

The main challenge is:-

Deregulation of the Fresh Produce Industry: The Market should be allowed to operate in such a way that its income is invested back into Market Projects. This will enable the Market to gain competitive advantage over largest South African Markets. New business strategy should be developed and a flexible organisational structure to drive the then strategy.

SERVICE STATISTICS OF THE FRESH PRODUCE MARKET

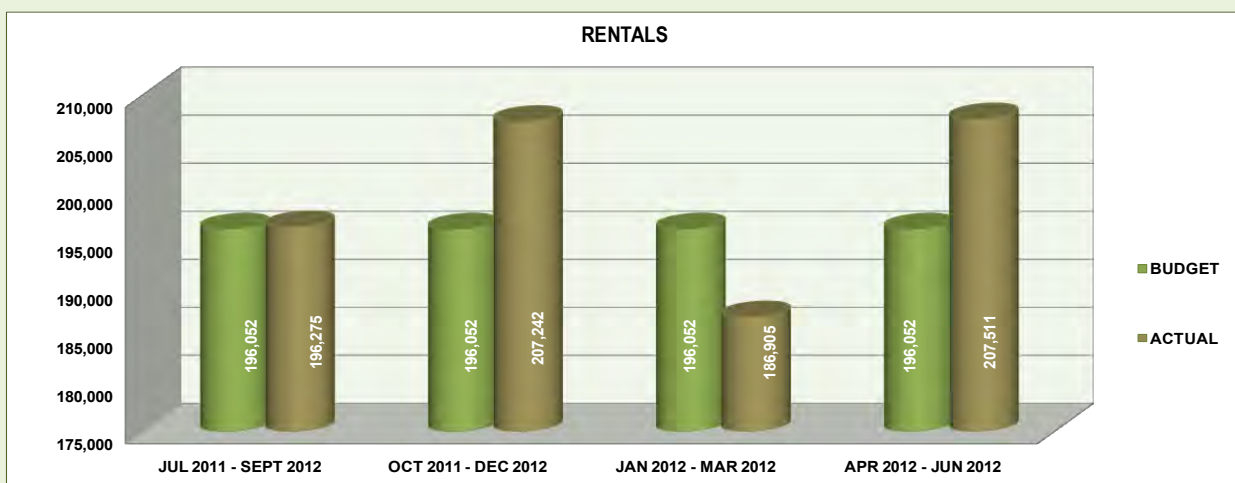


The total Turnover for 2011/12 was R279,025,026.

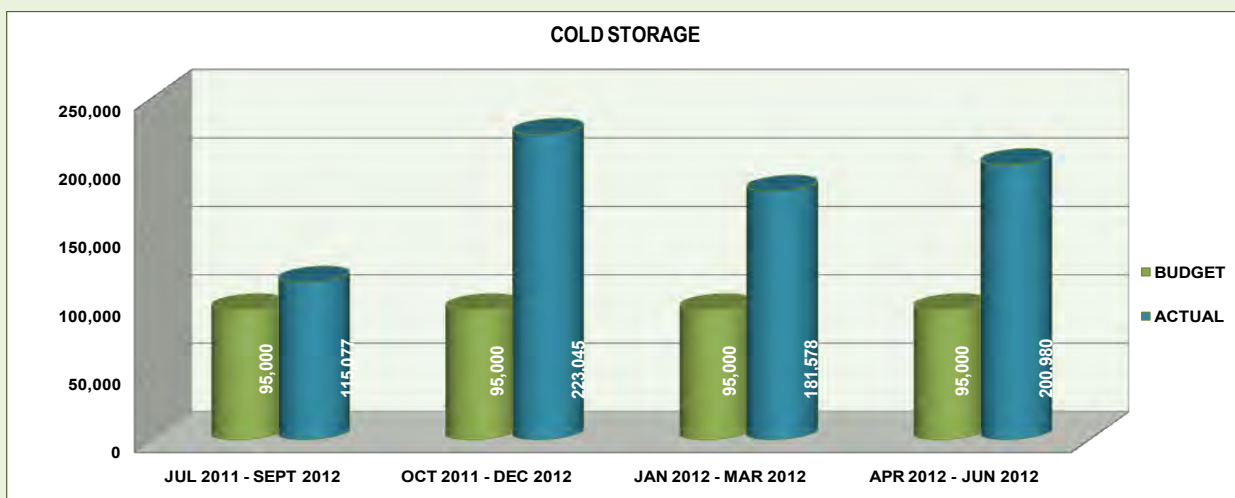
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The total Market Dues for 2011/12 was R13,951,253.

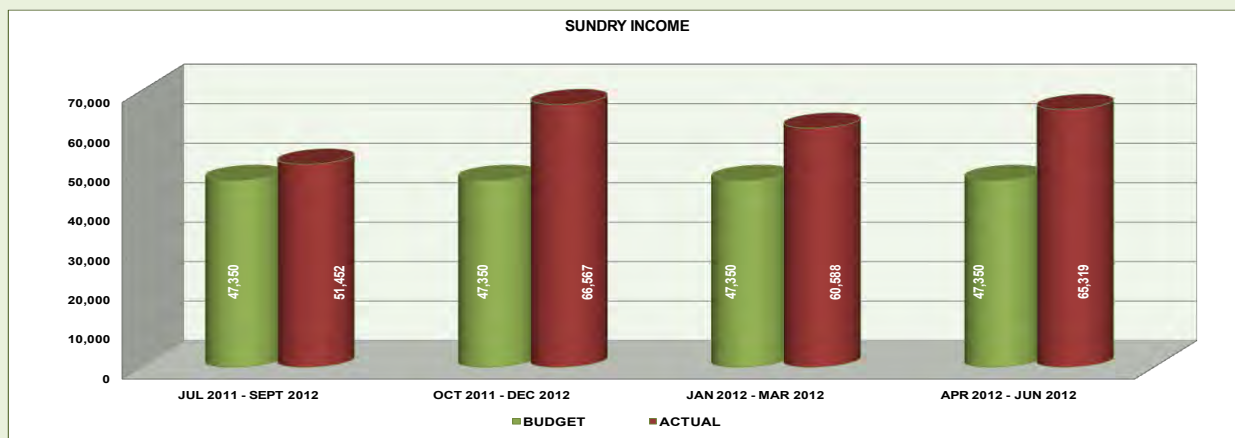


The total Rentals for 2011/12 was R797,933.



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The total Rentals for 2011/12 was R720,680.



Sundry income Includes trolley rental, surplus cash, commission on levies, selling transactions, buyer cards and interest bank. The total Sundry Income for 2011/12 was R243,926.

FRESH PRODUCE MARKET: SUMMARY

Indicator	2009/10	2010/11	2011/12
	R	R	R
Rental Estate	675,722	701,800	797,933
Market Dues	12,215,987	12,462,235	13,951,253
Fees Ripe & Cool	313,296	344,699	720,680
Buyer Cards	3,711	4,053	5,618
Rental Transport	72,506	58,777	79,486

EMPLOYEE INFORMATION

Employees: Fresh Produce Market					
Job Level	2010/11		2011/12		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	0	1	100%
4 - 6	4	5	4	1	20%
7 - 9	0	0	0	0	N/A
10 - 12	11	11	11	0	0%
13 - 15	9	9	9	0	0%
16 - 18	4	5	4	1	20%
19 - 20	14	14	14	0	0%
Total	43	45	42	3	7%

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Financial Performance 2011/12: Fresh Produce Market					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	8,251	13,909	15,909	15,584	10.75%
Expenditure:					
Employees	3,709	7,706	5,598	6,467	-19.16%
Repairs and Maintenance	566	1,248	1,203	794	-57.18%
Other	4,682	8,938	10,733	7,249	-23.30%
Total Operational Expenditure	8,957	17,892	17,534	14,510	-23.31%
Net Operational Expenditure	706	3,983	1,625	-1,074	470.86%

CAPITAL EXPENDITURE

Capital Expenditure 2011/12: Fresh Produce Market					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	580	0	98	-492%	
Replacing 3 evaporator towers (Rooms 8 & 10 and small cold room) at a cost of R200,000 by December 2011	200	N/A	0	-100%	367
Upgraded Freshmark System (till system) at a cost of R180,000 by March 2012	180	N/A	0	-100%	180
Upgraded Freshmark System (till system) at a cost of R100,000 by September 2011	100	N/A	98	-2%	100
Upgrading of the CCTV system and replacing 19 cameras on the market floor at a cost of R100,000 by September 2011	100	N/A	0	-100%	100

COMMENT ON PERFORMANCE OF FRESH PRODUCE MARKET OVERALL

Out of the total of 18 National Fresh Produce Markets in South Africa, Klerksdorp National Fresh Produce Market was rated 8th position with a total turnover of R279,025,026 in June 2012.

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3.12 STRATEGIC PLANNING AND REGULATORY (INCLUDING PMS, IDP, INTERNAL AUDIT AND OFFICE OF THE MUNICIPAL MANAGER)

In today's organisational environment, budget oriented planning or forecast methods are insufficient for the organisation to prosper. There is a need to engage in strategic planning that clearly defines objectives and assesses both the internal and external situation to formulate strategy, evaluate progress and make judgments as necessary to stay on track.

Strategic plans therefore identify strategically important outcomes orientated goals and objectives against which the municipality's medium-term results can be measured and evaluated by various identified stakeholders. Annual performance plans identify the performance indicators and targets that the institution will seek to achieve in the upcoming budget year. This performance information is important for effective management, including planning, budgeting, implementation, reporting monitoring and evaluation.

As a component of its strategic plan, annual performance plan or IDP the municipality must adopt, monitor and evaluate strategies that describe the approach the institution is to follow to create and operate monitoring and evaluation systems which will produce credible, accurate information on an ongoing basis that gets used to improve service delivery and governance.

INTRODUCTION TO STRATEGIC PLANNING AND REGULATORY

Currently the directorate comprises the following units:

◆ IDP Unit

The Municipal Systems Act and the policy framework provide municipalities with an enabling legal framework for engaging in integrated development planning. Integrated Development Planning is a process through which municipalities prepare a strategic development plan, for a five year period.

The Integrated Development Plan (IDP) is a product of the integrated development planning process. The IDP is a principal strategic planning instrument which guides and informs all planning, budgeting, management and decision-making in a municipality.

◆ Performance Management Unit

The objective of Performance Management is to improve the performance of the municipality as guided by the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (MSA), Local Government: Municipal Planning and Performance Management Regulations, 2001 and Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA).

Performance Management is the central management tool which assist the Council to improve service delivery by channeling the efforts of its departments and employees to meet performance targets and in so doing ensure that the municipality achieves its strategic objectives.

It is a strategic approach to management, which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets for efficiency, effectiveness and

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impact. This system will therefore ensure that all leaders, managers and individuals in the municipality is held accountable for their actions, which should bring about improved service delivery and value for money.

Internal Auditing Unit

Internal Auditing is an independent appraised function established within the Municipality to examine and evaluate the Municipalities activities. The purpose of internal auditing is to provide independent, objective assurance and consulting services designed to add value and improve the organization's operations.

The objective of Internal Audit is to assist the Accounting Officer and the Audit Committee in the effective discharge of their responsibilities; internal audit will provide them with independent analysis, appraisals, recommendations, counsel and information concerning the activities reviewed, with a view to improving accountability and performance.

EMPLOYEE INFORMATION

Employees: Strategic Planning and Regulatory					
Job Level	2010/11	2011/12			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	2	2	0	0%
4 - 6	3	6	6	0	0%
7 - 9	2	3	1	2	67%
10 - 12	2	3	1	2	67%
13 - 15	0	1	1	0	0%
16 - 18	0	0	0	0	N/A
19 - 20	0	0	0	0	N/A
Total	8	15	11	4	27%
Totals include Performance Management, IDP, Internal Audit and Office of the Municipal Manager					

Financial Performance 2011/12: Strategic Planning and Regulatory					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0%
Expenditure:					
Employees	6,345	7,733	7,804	7,644	-1.16%
Repairs and Maintenance	16	23	18	2	-1050.00%
Other	2,155	2,175	1,962	9,217	76.40%
Total Operational Expenditure	8,516	9,931	9,784	16,863	41.11%
Net Operational Expenditure	8,516	9,931	9,784	16,863	41.11%
Totals include Performance Management, IDP, Internal Audit and Office of the Municipal Manager					

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COMMENT ON STRATEGIC PLANNING PERFORMANCE OVERALL

The directorate does not dispose over any capital projects and functions mainly focus on compliance with various acts and regulations.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries, museum, cemeteries, arts and culture.

3.13 LIBRARIES AND MUSEUM

INTRODUCTION TO LIBRARIES AND MUSEUM

The objective of the Libraries and Museum is to provide educational programmes and library awareness programmes, as well as to manage and promote the cultural heritage of the city.

SERVICE STATISTICS FOR THE LIBRARIES AND MUSEUM

Indicator	2009/10	2010/11	2011/12	Cost (R)
Educational Programmes				
Library awareness programmes	144	154	228	3,327
Library interest events	14	15	14	
Education				
Education programmes presented	59	81	92	36,700
Lifelong learning classes presented	34	34	31	
Collections				
Maintenance & Care of Objects	1,000	1,002	980	8,850
Restoration of Objects	8	1	11	
Digitized collection documentation	2,500	590	1603	-
Translation of documents	1,200	1,670	460	4,652
Exhibitions				
Temporary exhibitions presented	2	3	3	43,378
Existing exhibitions maintained	15	18	16	38,952
New exhibition: Matlosana history		1	-	
Community Participation				
Meetings held with support groups	12	12	10	-
Consultation sessions	-	87	44	-
Heritage Awareness				
Oral History Interviews	25	36	16	-
Heritage mapping	1 (Klerksdorp)	1 (Khuma and Stilfontein)	-	No Budget
Heritage Awareness Events	8	9	9	R37 929

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OBJECTIVES TAKEN FROM IDP (Complete Performance Report available on pages 156 and 161)

Library Services Objectives Taken From IDP: 2011/12							
Service Objectives	Service Indicators	2010/11		2011/12			2012/13
		Target	Actual	Target		Actual	Target
(i)	(ii)	(iii)	(iv)	Original Target (v)	Adjusted Target (vi)	Actual (vii)	(x)
To address shortcomings by improve library services and maintenance	Shortcomings at various libraries addressed according to the approved project business plan	N/A	N/A	Addressing shortcomings at various libraries according to the approved project business plan at a cost of R400,000 by June 2012	N/A	Shortcomings, as per programme, addressed R212,586	Addressing shortcomings at various libraries according to the approved project business plan at a cost of R400,000 by June 2013
To provide a library service in Khuma to improve service and quality of life	m ² community library in Khuma Ext 8 built	Building a 681,39m ² community library in Khuma Ext 8 at a cost of R4,000,000 by June 2011	None R0.00	Building a 681,39m ² community library in Khuma Ext 8 at a cost of R4,000,000 by May 2012	N/A	681,39m ² Library completed R3,435,104 Project completed	N/A
To provide an equipped library in Tigane to improve service and quality of life	Erected community library in Tigane Extension 3 equipped	Building of 798,779m ² library in Tigane Extension 3 at a cost of R4,497,890 by June 2011	Project 80% completed R3,553,024	Equipping the erected 798,779m ² library in Tigane Extension 3, as per program, at a cost of R1,065,693 by June 2012	R1,400,000	Tigane library partially equipped as per programme R368,525	Equipping the erected 798,779m ² library in Tigane Extension 3, as per requirement list, at a cost of R1,200,000 by June 2013

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EMPLOYEE INFORMATION

Employees: Libraries; Museum; Administration and Arts & Culture					
Job Level	2010/11	2011/12			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	2	1	1	50%
4 - 6	3	3	3	0	0%
7 - 9	9	10	8	2	20%
10 - 12	13	16	13	3	19%
13 - 15	39	46	38	8	17%
16 - 18	14	17	13	4	24%
19 - 20	4	4	3	1	25%
Total	83	98	79	19	19%
<i>Totals includes Libraries, Museum, Administration and Arts & Culture</i>					

Financial Performance 2011/12: Libraries and Museum					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-1,059	3,561	3,557	992	-258.97%
Expenditure:					
Employees	13,601	37,361	37,874	35,749	-4.51%
Repairs and Maintenance	497	4,152	4,203	17,643	76.47%
Other	6,164	13,502	8,109	-5,484	346.21%
Total Operational Expenditure	20,262	55,015	50,186	47,908	-14.83%
Net Operational Expenditure	21,321	51,454	46,629	46,916	-9.67%
<i>Totals includes Libraries, Museum, Administration and Arts & Culture</i>					

COMMENTS ON THE PERFORMANCE OF LIBRARIES AND MUSEUM OVERALL

A DORA grant of R400 000, 00 was received in April 2012 to address shortcomings of the library service of the City of Matlosana. An amount of R396 044 was spent with some payments still outstanding.

A library building was erected in Tigane. R1, 4m was made available for equipping the library. Due to Council's financial situation only R368 525, 00 could be spent.

A library building was erected in Tigane by means of a DORA grant of R4m. R3 111 225, 00 had been spent with some payments still outstanding.

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The Museum fosters an integrated approach to cultural heritage and promoted the link between creation and heritage during the 2011/2012 Financial Year by presenting art and traditional craft events such as the annual Quilt

Festival attended by nationwide visitors, a photographic exhibition of living heritage and cultural objects and the North West Correctional Services Art Exhibition.

Communities were motivated to rediscover their roots with heritage awareness workshops, the annual Mampoor Festival held in June 2012, the Living History Week in May 2012 attended by more than 2000 learners, special programs presented to 20 groups during National Heritage Month and an Aids Day Awareness event. The temporary Holocaust exhibition was extended with two months due to public demand. These programs aimed at creating an understanding of cultural heritage of different communities assist with intercultural dialogue and encourage mutual respect.

The educational services provided by the museum were highly acclaimed by the 92 schools from all the communities who visited the museum for special programs. The 31 lifelong skills development programs focused on the empowerment of women, youth and disabled persons.

3.14 CEMETERIES

INTRODUCTION TO CEMETERIES

The City of Matlosana manages 23 cemeteries. Crematorium services are rendered by a private company. Matlosana does not currently face the common problem encountered by other local municipalities on the shortage of land, as the necessary land was identified and new cemeteries developed.

The top 3 priorities for the section are to:-

- ◆ Render effective and affordable cemetery services to our local community
- ◆ Plan and develop new cemeteries to meet the need of our community
- ◆ Educate the community on alternative burial options to alleviate pressure on land usage

Impacts on top priorities:-

- ◆ The department contained the increment on burial fees
- ◆ Two new cemeteries were developed and will address burials for Tigane, Kanana and Jouberton for the next 25 year's needs.
- ◆ Department promotes re-opening of graves to save land by appointing contractors in the various areas.

SERVICE STATISTICS FOR CEMETERIES

Indicator	2009/10	2010/11	2011/12
CEMETERIES			
◆ Burials	3,167	3,600	3,417
◆ Memorials	746	909	1,184
Expenditure	R767,384	R9,043,200	R10,489,157
Income	R918,574	R1,016,710	R1,314,573

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EMPLOYEE INFORMATION

Employees: Cemeteries					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	N/A
4 - 6	1	1	1	0	0%
7 - 9	1	2	1	1	50%
10 - 12	12	15	12	3	20%
13 - 15	4	5	4	1	20%
16 - 18	5	8	5	3	38%
19 - 20	42	38	42	-4	-11%
Total	65	69	65	4	6%

Financial Performance 2011/12: Cemeteries					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-882	1,560	1,560	1,315	-18.63%
Expenditure:					
Employees	3,825	6,464	6,613	7,865	17.81%
Repairs and Maintenance	420	653	625	332	-96.69%
Other	1,295	2,586	2,219	2,292	-12.83%
Total Operational Expenditure	5,540	9,703	9,457	10,489	7.49%
Net Operational Expenditure	6,422	8,143	7,897	9,174	11.24%

COMMENTS ON THE PERFORMANCE OF CEMETERIES OVERALL

The development of a new regional cemetery to serve the communities of Kanana and Jouberton and was funded with MIG funds to the extent of R1,2 million.

Professional studies for the establishment of the mentioned cemetery were conducted. Geotechnical studies and environmental impact assessment studies to the amount of R400,000 are completed.

The balance of the funding will be utilized during the 2012/13 financial year for fencing, infrastructure (water) and ablution facilities.

COMPONENT E: ENVIRONMENTAL PROTECTION

Protection of local bio-diversity centres and rendering services to have the least impact on the largest living organisation population and sustainable practises.

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This component includes: biodiversity and landscape (Parks), Faan Meintjes Nature Reserve, Aerodrome, Auction Kraals and Orkney Vaal.

3.15 BIO-DIVERSITY AND LANDSCAPE (INCL. FAAN MEINTJES NATURE RESERVE, AERODROME, AUCTION KRAALS AND ORKNEY VAAL)

INTRODUCTION TO BIO-DIVERSITY AND LANDSCAPE

PARKS

The Parks and Development section aims to manage and develop a pleasing, aesthetic and effective environment to aid in the well-being of the residents in our community.

The 3 top priority delivery areas are:-

- ◆ To improve the surrounding environment within the community and urban spaces with reference to the greening thereof
- ◆ To maintain these created environments in an effective and productive manner with emphasis on cost effectiveness
- ◆ To promote environmental awareness and the preservation of bio-diversity to create a sustainable planet.

With regard to measures taken to achieve this, the following:-

- ◆ New parks (mega parks are planned for future development in the respective towns, which is planned within the IDP framework)
- ◆ Maintenance of open spaces is done within the resources capacity of the section, keeping in mind the challenges of ancient vehicles. A sectional plan exists whereby areas are cut and maintained on pre-scheduled plans to ensure value for money.
- ◆ Annually the section hosted an arbor event whereby schools are targeted on an organized way. The community is involved in greening of all the town entrances with trees and planting. Business organizations and police stations are participating in these highly successful events

FAAN MEINTJES

The objective of the nature reserve is to render an environmental educational service to the community and to promote local tourism in the region.

In terms of the objective, Council have started over a period to develop an environmental education centre. Huge progress was made during 2011/12 and the centre is currently 95% completed.

Once operational, the centre will benefit the community in the following way:-

- ◆ Educate community (emphasis on schools)
- ◆ Create jobs for SMME's (tour guides, catering, transport etc.)
- ◆ Promote local tourism
- ◆ Attract future investment opportunities

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SERVICE STATISTICS FOR PARKS

Indicator	2009/10	2010/11	2011/12
AERODROME			
◆ Aerodrome – cut grass	3	3	2
NATURE RESERVE			
◆ Visitors	1,328	Not available	3,840
Expenditure	R757,484	R908,293	R982,888
Income	R784,880	R200,000	R241,374
TREES			
◆ Trimmed	±1,450	9,600	4,696
AUCTION KRAALS			
◆ Total auctions	50	50	52

CAPITAL EXPENDITURE

Capital Expenditure 2011/12: Bio-Diversity; Landscape and Other					
					R' 000
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	200	0	59	-239%	
Purchasing grass cutting equipment (4 chainsaws, 3 blower mowers, 5 Stihl blowers, 6 Stihl chainsaws, 15 Stihl brush cutter and 15 knapsack sprayers) for the parks in the KOSH area	200	N/A	59	-239%	200

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OBJECTIVES TAKEN FROM IDP (Complete Performance Report available on page 160)

Bio-Diversity and Landscape Objectives Taken From IDP: 2011/12							
Service Objectives	Service Indicators	2010/11		2011/12			2012/13
		Target	Actual	Target	Adjusted Target	Actual	Target
(i)	(ii)	(iii)	(iv)	Original Target (v)	Adjusted Target (vi)	Actual (vii)	(x)
To build and equip an environmental education centre at Faan Meintjes to ensure capacity building in the community	Environmental educational centre at Faan Meintjes Nature Reserve (additional funding) Built and equipped	Building and equipping an environmental educational centre at Faan Meintjes Nature Reserve (additional funding) (800m ² building and 200m ² open areas e.g. walkways, stop and parking area) at a cost of R6,500,000 by February 2011	Project 80% completed R4,134,847	Building and equipping an environmental educational centre at Faan Meintjes Nature Reserve (additional funding) at a cost of R2,321,740 by June 2012	N/A	Environmental educational centre built R1,976,642	Equipping the environmental educational centre at Faan Meintjes Nature Reserve (additional funding) at a cost of R2,500,000 by March 2013

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EMPLOYEE INFORMATION

Employees: Bio-Diversity; Landscape and Other					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	2	2	2	0	0%
7 - 9	8	11	8	3	27%
10 - 12	10	25	10	15	60%
13 - 15	38	44	38	6	14%
16 - 18	27	63	27	36	57%
19 - 20	128	131	125	6	5%
Total	214	277	211	66	24%
<i>Totals includes Parks, Open Spaces, Faan Meintjes Nature Reserve and Orkney Vaal</i>					

Financial Performance 2011/12: Bio-Diversity; Landscape and Other					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	169	260	260	536	51.49%
Expenditure:					
Employees	1,329	824	839	762	-8.14%
Repairs and Maintenance	213	63	63	38	-65.79%
Other	427	598	564	3,732	83.98%
Total Operational Expenditure	1,969	1,485	1,466	4,532	67.23%
Net Operational Expenditure	1,800	1,225	1,206	3,996	69.34%
<i>Totals includes Parks, Open Spaces, Faan Meintjes Nature Reserve and Orkney Vaal</i>					

COMMENT ON THE PERFORMANCE OF BIO-DEVERSTY AND LANDSCAPE

No capital projects in terms of landscaping were executed, but maintenance equipment were replaced to the value of ± R100,000.

COMPONENT F: HEALTH

INTRODUCTION TO HEALTH

Workplace health and wellness programs should be a part of the overall company strategy for a healthy workplace. Health and safety legislation and other workplace policies or programs can provide a basis for a workplace health (or

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health promotion) program. When setting up any program, remember to include training and other support (e.g., time to attend sessions) and choice where possible.

Remember that for health and safety programs, there are specific laws and regulations that must be complied with. Workplace health programs are different from traditional health and safety programs because there is no legislative mandate. However, the purpose of a workplace health and wellness programs is to offer a comprehensive health service for all employees. Therefore it is important to remember that employees are potentially exposed to a wide variety of health hazards or situations at work on a regular basis. As such, it is impossible to deal with workplace health/wellness issues in isolation from health and safety, and vice versa.

Policies, standards and procedures have to be developed in order that they are the guidelines on with each unit will have to function, not forgetting the principle and legislation of each unit.

OBJECTIVES OF AN INTEGRATED TOTAL WELLNESS PROGRAM

- ◆ To promote and secure the total health, safety and wellness of employees;
- ◆ To protect employees against hazards.
- ◆ To reduce incidents by active elimination of hazards and to assist in securing safety and hygiene at work;
- ◆ To provide occupational health services;
- ◆ To foster cooperation and consultation between the employer and employees;
- ◆ To offer a wide range of professional psycho-social clinical service to all employees;
- ◆ To plan, develop and implement specialist interventions to increase employee well-being

3.16 CLINICS

Service Data for Clinics			
Details		2011/12	
		Estimate No.	Actual No.
1	Average number of Patient visits on an average day	200-300	120-300
2	Total Medical Staff available on an average day	5	5
3	Average Patient waiting time	3 ½ Hours	3 Hours
4	Number of HIV/AIDS tests undertaken in the year	35,000	35,148
5	Number of tests in 4 above that proved positive	5,500	5,455
6	Number of children that are immunised at under 1 year of age	2,250	2,461
7	Child immunisation s above compared with the child population under 1 year of age	30.0%	30.1%

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EMPLOYEE INFORMATION

Employees: Clinics					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	4	4	4	0	0%
7 - 9	3	4	3	1	25%
10 - 12	2	4	2	2	50%
13 - 15	10	13	9	4	31%
16 - 18	0	0	0	0	0%
19 - 20	8	12	8	4	33%
Total	28	38	27	11	29%

Financial Performance 2011/12: Clinics					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	111	348	348	49	-610.20%
Expenditure:					
Employees	3,173	7,444	7,423	4,378	-70.03%
Repairs and Maintenance	1	14	13	0	-3593.93%
Other	1,329	2,880	2,678	1,997	-44.24%
Total Operational Expenditure	4,503	10,338	10,114	6,375	-62.16%
Net Operational Expenditure	4,392	9,990	9,766	6,326	-57.92%

COMPONENT G: SECURITY AND SAFETY

This component includes Traffic & Security Services and Fire & Disaster Management.

INTRODUCTION TO SECURITY AND SAFETY

To promote road traffic safety throughout the City in order to reduce road accidents, fatalities and injuries as well as combating road traffic offences that contributes towards accidents. To ensure that Council Assets are secure and safe to combat theft within the Municipality.

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3.17 TRAFFIC AND SECURITY

INTRODUCTION TO TRAFFIC AND ROAD SAFETY

The aim of the Traffic and Security Services is to promote road safety, conducting school campaigns and multi road blocks and to ensure sound financial matters by collecting fine revenue.

Traffic Service Data					
	Details	2010/11	2011/12		2012/13
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	3,721	3,647	3,457	3,285
2	Number of by-law infringements attended	18,232	17,868	17,263	18,126
3	Number of traffic officers in the field on an average day	49	49	49	49
4	Number of traffic officers on duty on an average day	54	54	54	54

SERVICE STATISTICS FOR TRAFFIC AND SECURITY SERVICES

Statistics	2008/09	2009/10	2010/11
Traffic Violations			
Section 56 Summonses:			
◆ Speed	3,189	1,564	2,576
◆ Other	11,070	10,369	11,221
Section 341 Notices:			
◆ Parking Meters	12,950	15,222	17,615
◆ Other Parking Offences	4,083	10,862	7,829
◆ Camera: Speed & Robot	35,629	80,573	100,463
TOTAL	66,921	118,590	139,704
Total income from Traffic Court			
◆ Bail Money	4,700	32,950	38,150
◆ Admission of Guilt paid (Criminal)	37,700	105,750	108,400
◆ Court Fines	126,780	601,650	557,300
◆ Provincial Court Fines	1,580	1,900	4,050
TOTAL	170,760	742,250	70,7900
Summons issued			
Section 56 Summonses issued – Traffic Officers			
◆ Speed	3,189	1,564	2,576
◆ Other	11,070	10,369	11,221
Summons issued – Unpaid Section 341 Notices	18,156	11,084	14,231
TOTAL	32,415	23,017	28,714
Cases withdrawn by Senior Public Prosecutor as a result of representations:			
◆ Section 56 Summonses	79	343	834
◆ Section 341 Notices	953	668	2,026
◆ Camera Cases	6,328	2,515	2,715
TOTAL	7,360	3,526	5,575

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Admission of guilt			
Magistrate Court	-	1,665,288	905,160
Matlosana Traffic Court			
♦ Contempt of Court	140,400	351,150	334,350
♦ Warrants of Arrest	223,030	609,100	707,080
♦ Easy Pay	991,950	1,595,247	2,897,070
At Traffic Department			
♦ Section 56 Summonses	1,587,850	2,899,660	3,844,372
♦ Section 341 Notices	1,528,750	379,790	323,115
TOTAL	4,462,980	7,500,235	9,011,147
Total income per annum	R	R	R
♦ Traffic Fines	4,462,980	7,500,235	9,011,147
♦ Parking Meters – ADO	244,709	366,706	108,179
♦ Accident Reports	24,730	19,580	17,661
♦ Income from Parking Grounds	7,245	22,753	124,414
♦ Escort Fees			
• Abnormal Loads	27,420	15,552	1,764
• Fun Runs / Road Races / Cycle Races / Temporary Closing of Streets	39,810	109,510	19,723
♦ Hawkers	24,030	38,832	48,310
TOTAL	4,830,924	8,073,168	9,331,198
Parking meters – ADO			
♦ Number of Parking Meters	162	162	162
♦ Number of Operating Parking Meters	162	162	162
♦ Number of Damaged Parking Meters	0	0	0
Arrests (Driving while under the influence of intoxicating liquor)			
♦ Males	657	718	454
♦ Females	11	7	11
TOTAL	668	725	465
Escorts / Special services rendered			
♦ Abnormal Loads	121	252	206
♦ Funerals	271	351	294
♦ Fun Runs / Road Race / Cycle Races	13	8	9
♦ Street Festival	0	1	9
♦ Street Braai / Street Closure	109	111	17
TOTAL	517	623	538

EMPLOYEE INFORMATION

Employees: Traffic and Road Safety					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0%
4 - 6	3	3	3	0	0%
7 - 9	16	18	16	2	11%
10 - 12	53	58	53	5	9%

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13 - 15	22	24	21	3	13%
16 - 18	27	37	26	11	30%
19 - 20	52	63	49	14	22%
Total	175	205	170	35	17%
Totals includes Traffic, Security, Administration, Municipal Court and Technical Services					

Financial Performance Y2011/12: Traffic & Security					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-9,693	12,640	11,216	8,910	-41.86%
Expenditure:					
Employees	23,365	25,294	26,070	26,609	4.94%
Repairs and Maintenance	1,923	2,102	2,365	2,050	-2.54%
Other	1,519	23,827	24,549	16,652	-43.09%
Total Operational Expenditure	26,807	51,223	52,984	45,311	-13.05%
Net Operational Expenditure	36,500	38,583	41,768	36,401	-5.99%

3.18 FIRE AND DISASTER MANAGEMENT

INTRODUCTION TO FIRE AND DISASTER MANAGEMENT

FIRE AND RESCUE SERVICES

The section focus mainly on legal requirements as per SANS 100:90 "Community protection against fire" as well as the Fire Brigade Act 1987.

Key areas are:-

- To save lives
- Render humanitarian services
- To prevent further destruction of property involved in fires

Focus area's for the section was law enforcement of which most business complies with, as well as community fire orientation.

The section also manages to establish a FPA Committee which will focus on "Veld Fires" in the area as per Act 101 of 1998.

A success currently with this initiative is to know landowners and the general co-operation during veld bush fires.

DISASTER MANAGEMENT

This responsibility also lies with the Assistant Director Fire. The municipality managed to appoint a Senior Disaster Risk Manager in the section. We managed to establish a fully functional office, as well as a Disaster Risk

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Management centre with a Local Centre status. The Disaster Risk Management is 95% completed of which sectional contingency plans and contingency plans for sector departments are in place. The Local Disaster Risk Management Committee is not functional, but we intend to launch it soon.

In the absence of an adopted policy the guidelines of the following are used:-

- ◆ Disaster Management Act 2002
- ◆ Assistance from the District Disaster Risk Management Centre
- ◆ National Frame Work 2005

During disaster the community benefits with the assistance of blankets and mattresses, of which the section engages with Social Welfare and SASSA for additional assistance and if it is RDP houses, we report to the relevant sections in collaborations with the provincial structure's and sector departments.

This office always tries to co-ordinate scenes and events in our jurisdiction and fulfils the role of assistance. Information to substantiate the above is available in the Local Centre, which is open for inspection.

Fire and Disaster Management Data				
	Details	2010/11	2011/12	2012/13
		Actual No.	Actual No.	Estimate No.
1	Total fires attended in the year	229	238	200
2	Total of other incidents attended in the year	6,767	6,766	5,000
3	Average turnout time - urban areas	3 to 5 minutes	3 to 5 minutes	3 to 5 minutes
4	Average turnout time - rural areas	7 to 10 minutes	7 to 10 minutes	7 to 10 minutes
5	Fire fighters in post at year end	60	60	70
6	Total fire appliances at year end	9	9	12

This section fully complements turnout times as per SANS 100:90 which give guidelines with regards to turnout times. Emergency calls get captured in an incident book as well as a voice logging device in the control room.

The emergency numbers are:-

- ◆ 018 462 2222
- ◆ 081 464 8020
- ◆ 018 464 8060
- ◆ 080 086 4997 (toll free number)

Respond times are captured when information is reported to the control room. This includes the dispatch time and arrived back time at the station.

SERVICE STATISTICS FOR TRAFFIC AND SECURITY SERVICES

DESCRIPTION	2009/10	2010/11	2011/12
Fire suppression	172	229	238
Public education	3,895	2,051	1090
Building plans	1,159	1,298	1244
Site inspections – new	817	1,374	53

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Site inspections – re-inspections	68	72	17
Flammable liquid registrations	127	153	92
Fire hydrant maintenance/inspection	1,840	1,662	1802
Grass Fires	529	639	563
Training	16	12	18
Trade License	251	471	575
Transport Permit	406	481	397
Complains	10	20	5
Pre – burn Inspections	16	3	0
Pre – burns	14	13	111
Rescues	250	227	201

EMPLOYEE INFORMATION

Employees: Fire and Rescue Services					
Job Level	2010/11	2011/12			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	1	1	0	0%
4 - 6	4	4	4	0	0%
7 - 9	22	51	22	29	57%
10 - 12	9	9	9	0	0%
13 - 15	39	76	39	37	49%
16 - 18	1	1	1	0	0%
19 - 20	5	8	5	3	38%
Total	81	150	81	69	46%
<i>Totals includes Fire and Rescue Services and Disaster Management</i>					

Financial Performance 2011/12: Fire and Rescue Services & Disaster Management					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	315	421	421	-	0.00%
Expenditure:					
Fire fighters	16,742	17,133	16,732	17,461	1.88%
Repairs and Maintenance	4,832	904	934	745	-21.34%
Other	21,574	3,370	3,468	3,554	5.18%
Total Operational Expenditure	43,148	21,407	21,134	21,760	1.62%
Net Operational Expenditure	38,316	20,986	20,713	21,760	3.56%
<i>Totals includes Fire and Rescue Services and Disaster Management</i>					

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COMMENT ON THE PERFORMANCE OF FIRE AND RESCUE SERVICES OVERALL

Please take note that there was no capital budget for the 2011/2012 financial year.

COMPONENT H: SPORT AND RECREATION

This component includes: sports fields; stadiums and swimming pools.

3.19 SPORT AND RECREATION

INTRODUCTION TO SPORT AND RECREATION

The Sport and Recreation section is responsible to establish a positive attitude in the community, towards sport and recreation and to encourage greater community involvement and interest in sport and recreation.

Main service delivery priorities includes:-

- ◆ To provide and ensure quality and good standard sport facilities of a high standard to encourage their use by the community. This includes the maintenance of stadiums.
- ◆ To provide sport and recreation programmes and events to the community with the aim to develop and promote sport.
- ◆ To ensure good sport administration and management.

The Sport and Recreation section was very successful in the service delivery priorities and can give proof of all the events, programmes, maintenance programmes hiring contracts, booking books for facilities etc.

Measures taken to improve performance:-

Although Council is currently experiencing financial constraints, the Sport & Recreation section was still able to continue with service delivery and good standards. Staff is motivated to do their best in the current situation. Strict budget control was also implemented.

SERVICE STATISTICS FOR SPORT AND RECREATION

Indicator	2009/10	2010/11	2011/12
Swimming Pools			
◆ Visitors - All pools	2,171	2,935	11,463
◆ Gala Events	3	1	1
Expenditure	R1,882,000	R499,499	R523,918
Income	R8,430	R14,676	R57,713
Recreation			
◆ Total major events	4	6	3
Expenditure	R10,525,140	Costs consolidated	R60,943

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EMPLOYEE INFORMATION

Employees: Sport and Recreation					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	N/A
4 - 6	1	1	1	0	0%
7 - 9	4	4	4	0	0%
10 - 12	16	18	12	6	33%
13 - 15	15	19	15	4	21%
16 - 18	12	15	12	3	20%
19 - 20	59	64	58	6	9%
Total	107	121	102	19	16%

Financial Performance 2011/12: Sport and Recreation					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	401	401	1,905	931	56.93%
Expenditure:					
Employees	6,622	6,502	9,926	12,343	47.32%
Repairs and Maintenance	3,414	2,014	2,751	2,285	11.86%
Other	7,663	6,160	7,625	4,428	-39.11%
Total Operational Expenditure	17,699	14,676	20,302	19,056	22.98%
Net Operational Expenditure	17,298	14,275	18,397	18,125	21.24%

CAPITAL EXPENDITURE

Capital Expenditure 2011/12: Sport and Recreation					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
	R	R	R	%	R
Total All	5,000	3,350	1,845	-171%	
Upgrading of Council's sport stadiums as per program	3,000	2,000	1,595	-88%	5,730
Upgrading of Oppenheimer stadium as per program	2,000	1,350	250	-700%	2,000

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COMMENTS ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL

The largest capital projects includes:-

- ◆ Development of sport field in Hartbeesfontein – R400,000 was available (Projects 60% completed - stopped because of Council's financial position)
- ◆ Embankment Markötter Stadium – R140,000 available (Project 100% completed)
- ◆ Upgrading of C-field Kanana – R200,000 available (Project 100% completed)
- ◆ Resealing of Courts – R126,000 (Project 100% completed)

No IDP projects were approved for Sport & Recreation section during the 2011/12 financial year.

The capital budget was $\pm 70\%$ spent when the projects were stopped due to Council's financial position.

The Sport & Recreation Section, despite a very limited budget has performed well during the financial year. Contracts with all sport clubs and bodies were put in place. Bookings of facilities are on record as well as the payment for the hiring of these facilities.

Several successful events were held:-

- ◆ Mayor's Tournament
- ◆ Danone U/19 National Soccer Tournament
- ◆ Sport Merit Award Function
- ◆ Administration courses for clubs
- ◆ Several sport tournament

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

INTRODUCTION TO CORPORATE POLICY OFFICES

Chapter 7 of the Constitution of the Republic of South Africa states that the municipality comprise of Councillors, Officials and the Community. In order for the municipality to govern its affairs correctly it must consult with the community to ensure that needs are correctly determined, explained and included in the IDP for service delivery purposes.

Policies must be put in place which will address the needs of the community in terms of how service delivery matters will be addressed.

In order for the municipality to be able to address the service delivery matters the municipality must within limitation approve a budget that will be commensurate with the needs/projects identified for the particular year. This budget must also address matters of staff and this can only be achieved through the costed organogram that must be cost effective but also providing sufficient management and other position in order to be able to render effective and satisfactory delivery of services.

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Management must ensure that tools of the trade are made available to the staff. This will include ICT services and networks including the necessary licenses.

In order for the municipality to finance the service delivery issues it must ensure that the budgetary expenditure will be redeemed through cash collection that will be generated by payment for services. The payment for services will be covered by the payments for rates and taxes and will include proper and sufficient municipal service delivery networks like water pipes and reservoirs as well as sewer and electrical networks and plant and equipment.

3.20 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

INTRODUCTION TO EXECUTIVE AND COUNCIL

In terms of chapter 7 section 151 (2) of the Constitution of the Republic of South Africa, 1996, the Executive and Legislative authority of a municipality is vested in its Municipal Council.

The municipal council of the City of Matlosana is established as a municipality with a Mayoral Executive System which is combined with a ward participatory system in terms of chapter 12 of the Municipal Structures Act, 117 of 1998. Section 152 of the Constitution spells out categorically clear, the objectives of Local Government and the powers and functions of municipalities are determined in section 156 of the Constitution.

The executive authority of the Council is vested with the Executive Mayor who must however report to Council and is assisted by the members of the Mayoral Committee established by the Executive Mayor and can take decision. However there are certain matters on which the Executive Mayor as the Head of the municipality cannot take decisions i.e. the approval of the Budget, IDP and By-Laws, as these matters cannot be delegated and must be approved by Council.

In terms of delegation of powers certain matters may be delegated to the Executive Mayor by Council who will in turn also sub-delegate to the Municipal Manager. The Municipal Manager may also sub-delegate to Directors who may in turn further sub-delegate to other officials.

Section 152 of the Constitution sets among others the following objectives for Local Government:

- (a) to provide democratic and accountable government for local communities
- (b) to ensure the provision of services to communities in a sustainable manner
- (c) to promote social and economic development

In order to ensure sustainable service delivery to the community's council sets the top three service delivery priorities as follows in order to achieve good governance levels.

- ❖ Risk Management: Council has developed risk management strategy or policy that enables Council to conduct risk assessment which has already been done. This exercise also enabled the Council to develop a plan on internal controls to mitigate and control.
- ❖ Internal Audit: Council managed to establish the Audit Committee and it sits regularly assisting on assessing the reporting on management of risk and other matters relating to good governance.

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- Accounting and Auditing: Council has established the Audit Committee which assists in reviewing the annual financial statements and also to monitor the effectiveness of the internal controls and risk management.

SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

Detail	2009/10		2010/11		2011/12	
	Ordinary Meetings	Special Meetings	Ordinary Meetings	Special Meetings	Ordinary Meetings	Special Meetings
Finance and Debt Normalization	6	3	8	6	9	2
Corporate Governance	1	0	8	1	9	0
Transversal Issues	1	1	8	1	9	0
Infrastructure	1	0	8	1	9	0
Public Safety	0	0	8	0	9	0
Community Services	0	0	8	0	9	0
Economic Growth and Market	0	0	8	0	9	0
Housing, Land Affairs and Town-Planning	0	1	8	0	9	2
Sports, Arts & Culture	0	1	8	0	9	0
Land & Rural Development	1	0	8	1	9	0

Detail	2009/10	2010/11	2011/12
Section 80 Committee Meetings:			
◆ Anglo Gold	2	2	1
◆ Orkney Vaal	3	3	1
◆ Project Monitoring	9	9	5
◆ Heritage Committee	0	0	1
◆ Oversight Committee / MPAC	8	8	7
◆ Property Rates	0	0	0
◆ Budget Steering	13	13	9
◆ Audit Committee	1	1	5
◆ Special Investigation Committee	10	10	3

EMPLOYEE INFORMATION

Employees: The Executive and Council					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	6	12	9	3	25%
4 - 6	5	18	13	5	28%
7 - 9	1	3	3	0	0%
10 - 12	0	14	12	2	14%
13 - 15	1	6	4	2	33%
16 - 18	1	4	3	1	25%
19 - 20	0	0	0	0	N/A
Total	14	57	44	13	23%
<i>Totals includes Municipal Manager, Directors and Political Offices</i>					

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Financial Performance 2011/12: The Executive and Council					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	4,457	9,613	15,619	14,108	31.86%
Expenditure:					
Employees	38,502	43,725	42,295	32,009	-36.60%
Repairs and Maintenance	292	336	334	263	-27.76%
Other	67,013	58,028	41,352	65,179	10.97%
Total Operational Expenditure	105,807	102,089	83,981	97,451	-4.76%
Net Operational Expenditure	101,350	92,476	68,362	83,343	-10.96%
Totals includes Municipal Manager, Directors and Political Offices					

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL

No capital projects were identified during the 2011/12 financial year.

3.21 FINANCIAL SERVICES (INCLUDING PROPERTY AND PROCUREMENT)

INTRODUCTION TO FINANCIAL SERVICES

This directorate deals with the administration of finances of the municipality i.e. own budget as well as the money received from Government Fiscal i.e. allocation by Government to the municipality to enhance service delivery as in MIG and equitable shares. In order for the municipality to have effective service delivery, budget and IDP processes must be followed in order to ensure public participation to cover all community proposals in terms of projects.

The directorate must develop budget related policies and by-laws which will govern consistent charging of moneys for services rendered to the communities.

Collection of moneys owed to Council as revenue must also be covered in terms of policy. There will be internal and external audits in order to ensure management of risk and curbing corruption while encouraging effecting customer care service.

Debt Recovery						
R' 000						
Details of the types of account raised and recovered	2010/11		2011/12		2012/13	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	R 148,745	92%	R 163,216	90%	R 53,991	R 172,030
Electricity - B	-	-	-	-	-	-
Electricity - C	R 328,219	79%	R 417,677	74%	R 119,599	R 463,747

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Water - B	-	-	-	-	-	-
Water - C	R 206,722	45%	R 245,276	47%	R 94,491	R 273,483
Sanitation	R 54,607	74%	R 57,322	73%	R 15,076	R 60,417
Refuse	R 40,696	67%	R 45,050	65%	R 11,878	R 47,483
Other	R 148,594	74%	R 148,191	93%		

The following problems were identified with regards to the below average collection rate and we have identified initiatives that will make a difference in the collection rate.

One of the main factors is that the economic viability of consumers to pay for their services are decreasing on an annual basis

A large number of consumers move in and out of the houses without notifying the Finance department. The result of this is that the Venus financial system is not up to date with the latest consumer information:-

- ◆ Council sends monthly statements to these households with the previous consumer's name and outstanding amounts of which the occupier is not liable for
- ◆ Debt Management applies various debt collection mechanisms to these consumers, incurring costs for Council and themselves, without success

Water restrictions could not be performed effectively since February 2012 to current and is still continuing in this manner. This causes a loss of revenue to the Council over the last five months, due to the fact that the external contract expired and the tender for restricting consumers must be rectified by the Water Section as soon as possible.

Thousands of consumers are guilty of tampering with their water and electricity meters or reconnect themselves illegally and the occurrences are increasing on a monthly basis

Different strategies have to be put in place for regular defaulters as opposed to consumers defaulting occasionally:-

- ◆ Through awareness campaigns, consumers need to be made aware of the services provided by the Council
- ◆ We need to explain to the consumers why they have to pay for services
- ◆ Political support
- ◆ Incentive schemes must be introduced for regular payment of services
- ◆ The deposits of regular defaulters should be increased according to their liability profile

SERVICE STATISTICS FOR FINANCIAL SERVICES

Water Restrictions	2010/11			2011/12		
	Restricted	Un-Restricted	Not Un-Restricted	Restricted	Un-Restricted	Not Un-Restricted
Klerksdorp	0	0	0	3,676	850	2,826
Jouberton	15,810	5,274	10,536	12,243	513	11,730
Alabama	1,780	2,669	889	10,311	244	10,067
Kanana	18,832	7,025	11,807	30,221	3,192	27,029
Stilfontein	0	0	0	0	0	0
Khuma	12,422	6,303	6,119	19,556	669	18,887
Tigane	1,306	436	870	4,534	106	4,428
TOTAL	50,150	21,707	30,221	80,541	5,574	74,967

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Electricity Dis-Connections	2010/11			2011/12		
	Dis-Connected	Re-Connected	Not Re-Connected	Dis-Connected	Re-Connected	Not Re-Connected
Klerksdorp	14,631	8,453	6,178	25,638	4,435	21,203
Jouberton	11,761	5,359	6,402	16,466	2,558	13,908
Alabama	4,456	1,049	3,407	9,069	1,761	7,308
Orkney	1,372	502	870	9,091	2,713	6,378
Stilfontein	2,302	1,337	965	14,260	3,195	11,065
Hartbeesfontein	629	191	438	6,065	2,068	3,997
TOTAL	35,151	16,891	18,260	80,589	16,730	63,859

EMPLOYEE INFORMATION

Employees: Financial Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	6	7	6	1	14%
4 - 6	16	23	16	7	30%
7 - 9	26	42	25	17	40%
10 - 12	79	112	80	37	33%
13 - 15	37	43	31	12	28%
16 - 18	4	7	4	3	43%
19 - 20	11	12	11	1	8%
Total	179	246	173	78	32%
<i>Totals include Financial Services and Administration</i>					

Financial Performance 2011/12: Financial Service					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	457,034	544,677	528,038	493,236	-10.43%
Expenditure:					
Employees	35,129	35,754	36,116	35,982	0.63%
Repairs and Maintenance	2,327	884	575	218	-305.50%
Other	388,503	207,282	151,140	147,631	-40.41%
Total Operational Expenditure	425,959	243,920	187,831	183,831	-32.69%
Net Operational Expenditure	-31,075	-300,757	-340,207	-309,405	2.80%
<i>Totals include Financial Services and Administration</i>					

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3.22 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The priorities of Human Resource Services are as follows:-

- ◆ To draft a five year Employment Equity Plan
- ◆ To appoint service providers to provide training for officials of the municipality, capacitating them as required by the Skills Development Act
- ◆ Filling of vacant positions

The municipality has since managed to draft the Employment Equity Plan and has been adopted by the Council.

The appointment of a service provider for the training interventions was unsuccessful due to the lack of funds. However, the process will unfold during the 2012/13 financial year.

Some of the identified critical posts to the 2011/12 financial year were filled, but the process is ongoing.

Due to the potential of high stress level and injury on duty an EAP unit has to be established that will deal with the wellness of the staff. Occupational Health Services is also in line with this to prevent injuries on duty by identifying dangerous situations.

In order to ensure an effective workforce, the Labour Relations Unit oversees and deals with issues of conflict on duty and enforcing discipline in the workplace.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Total personnel expenditure trends in the last three years

The following table reflects the total personnel expenditure trends from 2009/10 to 2011/12:-

Financial Year	(R)	% of Total Budget
2009/10	297,677,605	21.27%
2010/11	368,762,243	24.65%
2011/12	410,803,673	24.03%

Pension- and Medical Aid Funds

Pension Fund

The composition of membership for pension and provident funds was as follows:-

Pension Fund	Number of Members	
	2010/11	2011/12
Municipal Gratuity Fund	1,465	1,409
National Fund for Municipal Workers	273	270
Joint Municipal Pension fund	14	40
Sala Pension Fund	96	92
Municipal Councillors Pension Fund	71	69

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Municipal Employees Pension Fund	361	347
Meshawu Pension fund	5	5
Samwu Pension Fund	60	62
Total	2,345	2,294

The Council's actual expenditure for the 2011/12 financial year towards the employers' contribution was R50,449,392.

Medical Aid Funds

The medical aid funds are accredited by the South African Local Government Bargaining Council (SALGBC). The Council's actual expenditure for the 2011/12 financial year towards the employers' contribution to medical aid funds was R20,398,927 and the Medical Aid for Pensioners and provision for 2011/12 is R613,100,540, which brings the total medical Aid Fund to R33,499,467

Medical Aid Fund	Number of Members	Employer's Contribution (R)
KeyHealth	188	5,595,404.44
Hosmed	97	2,235,534.75
Bonitas	410	6,518,815.20
LA Health	232	2,493,989.85
Samwu Med	290	3,555,182.80
Pensioners and provision for contributions		13,100,540
Total	1217	33,499,467

Outstanding Monies

MFMA Circular 11 requires that municipalities disclose arrears (outstanding monies) by councillors / employees for the financial year.

Accounts in Arrear as at Present	Arrears: Jun-10	Arrears: Jun-11	Arrears: Jun-12
	(R)	(R)	(R)
Councillors	13,945	213,336	64,679
Employees	318,784	384,699	395,368

Disclosure concerning executive councillors and directors

The following table reflects the remuneration for Executive Councillors and directors:-

Designation	Remuneration (Package) (R)	
	2010/11	2011/12
Executive Mayor	661,076	673,095
Speaker	515,270	536,405
Single Whip	375,250	436,549
MMC's	5,228,909	5,702,225
Municipal Manager	1,067,423	374,666
Director Corporate Governance	845,079	225,240

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Director Economic Growth	789,793	581,874
Director Municipal & Social Services	855,610	581,745
Director Infrastructure & Utilities	855,610	431,585
Manager Support Services	592,345	-

Personnel Administration

Detail	2009/10	2010/11	2011/12
Pension	43	63	24
Resignations	13	37	21
Deaths	18	59	28
Other	0	56	15
IOD	23	65	64
Medical Board on process	16	2	9
Medical Board application	5	1	9
Death Claims	38	59	39
Posts in Council	3,097	3,137	3,134
Posts Filled	2,706	2,294	2,253
Posts Vacant	991	843	884

Employee Assistance Programme

Detail	2009/10	2010/11	2011/12
New Clients	26	65	42
Old / Follow-up Cases	0	0	0
Closed Cases	52	28	37
Total in Treatment	75	98	108
In-house Counseling	163	126	143
Referrals	5	1	17
Total refused referred to EAP	1	4	0

Occupational Health & Safety

Detail	2009/10	2010/11	2011/12
Number of recorded incidents	20	43	64
Number of fatal incidents reported	1	1	0
Number of safety inspections conducted	19	54	108
Number of construction projects inspected	7	1	2
Number of safety audits	1	2	2
Number of public fatal injuries / drowning	0	1	0

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EMPLOYEE INFORMATION

Employees: Human Resource Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	3	2	1	33%
4 - 6	8	13	8	5	38%
7 - 9	6	9	6	3	33%
10 - 12	10	10	10	0	0%
13 - 15	0	2	0	2	100%
16 - 18	0	0	0	0	N/A
19 - 20	0	0	0	0	N/A
Total	26	37	26	11	30%
<i>Totals includes Human Resources, Labour Relations, EAP, Skill Development and OHS</i>					

Financial Performance 2011/12: Human Resource Services					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1,023	-	-	636	100.00%
Expenditure:					
Employees	2,659	3,145	3,238	4,145	24.13%
Repairs and Maintenance	-	10	7	-	0.00%
Other	1,669	2,890	2,701	1,467	-97.00%
Total Operational Expenditure	4,328	6,045	5,946	5,612	-7.72%
Net Operational Expenditure	3,305	6,045	5,946	4,976	-21.48%

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL

The Human Resources did not have the capital projects hence there are no priorities of the four largest capital projects.

3.23 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The ICT services are broadly defined as follows:-

1. Information Management services
2. Information Technology services
3. Information System services
4. Network Management services

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INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

(i) Brief introductory comments

Information, Communication & Technology services in the City of Matlosana is regarded as a strategic resource. A strategic resource, which it is, viewed as both a critical and catalyst function for enabling service delivery at the customer face.

Key to the strategic nature of ICT in the City is the enabling of the municipal key objectives of the Municipality in order to meet its constitutional obligations. ICT enables the achievement of these obligations by deploying relevant information technology solutions.

(ii) Set out priorities and their impact during 2011/2012 for the period under review

1.1 ICT Priorities

- ◆ To develop IT/IS/IM policies for the City of Matlosana by the end of 2012/2013.
- ◆ To provide technical support services by ensuring new installations, configuration management, and infrastructure troubleshooting.
- ◆ To refresh hardware/Software throughout the Municipality.
- ◆ Undertake an Audit of all the software licenses of the Municipality.
- ◆ Develop a new IT Organisational Structure for the City of Matlosana.

1.2 Impact: The following policies have been developed and the related IT service provided daily to Departments:-

1.2.1 Policies:-

- ◆ Internet Policy
- ◆ Email Policy
- ◆ Back-up procedures
- ◆ Password Protection Policy
- ◆ Servers Policy
- ◆ Workstations Policy
- ◆ Guidelines on Anti-Virus process
- ◆ General Password Construction Guidelines

1.2.2 Technical Support Services

- ◆ To support information, knowledge, and management of critical data of the Municipality.
- ◆ Hardware/software refreshment programme. The programme deploys desktops, laptops, provides connectivity, information security, printers, computer consumables (repairs, replacement of RAM, network cards, monitors, radio links, CPU, cabling, installations of network points, wireless, removal of viruses, and etc).
- ◆ Operations of computer servers do back-ups, database management, and electricity vending system support services.
- ◆ System support of the 27 business applications of the Municipality on a daily basis by programme scheduling, patch management, creation of active directories on the servers, and firewall protection management.

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- ◆ Systems support and End User Training and Development of approximately 1200 computer users-base in the Municipality.
- ◆ Internet and email system support services to ensure communications in the Municipality.
- ◆ Network availability and access to 19 pay points and other functional offices 24/7/365 days.

1.2.3 IT Organisation

- ◆ A new IT organizational Structure is approved by the Council during 2011/2012.

(iii) Measures taken to improve performance and major achievements achieved by the ICT service during the year

1.1 Measure taken to improve performance of the ICT division

Training of IT employees on the following courses:-

- ◆ Active Directory
- ◆ Web 2.0
- ◆ A+, N+,
- ◆ Report writing skills

1.2 Major achievements achieved by the ICT services

- ◆ Completed the Active directory project on time within budget.
- ◆ Deployed the new Anti-Virus Software on time
- ◆ Implemented blade technology for the Financial System on time
- ◆ Migrated municipal data from Unix operating system to SQL Server on time
- ◆ Improved the Website to a transactional stage and streamlines information management and publishing on the Municipal Web site
- ◆ Upgraded the firewall to improve the Municipal network security

EMPLOYEE INFORMATION

Employees: ICT Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	0	0	0	0	N/A
7 - 9	1	2	1	1	50%
10 - 12	0	0	0	0	N/A
13 - 15	2	3	2	1	33%
16 - 18	0	0	0	0	N/A
19 - 20	0	0	0	0	N/A
Total	4	6	4	2	33%

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Financial Performance 2011/12: ICT Services					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	11	8	8	26	69.23%
Expenditure:					
Employees	754	2,919	3,039	1,400	-108.50%
Repairs and Maintenance	1,373	2,418	2,960	2,718	11.04%
Other	2,268	4,319	4,309	3,880	-11.31%
Total Operational Expenditure	4,395	9,656	10,308	7,998	-20.73%
Net Operational Expenditure	4,384	9,648	10,300	7,972	-21.02%

Capital Expenditure 2011/12: ICT Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
	R	R	R	%	R
Total All	470	565	169	-178%	
Installation of an AD server and anti-virus software in the ICT section	180	275	56	-221%	275
Replacing and installing 14 computer appliances through the replacement programme of Council	150	150	87	-72%	650
Planning and installing an information security architecture platform (phase 1) in the ICT section for council	140	140	26	-438%	140

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL

The City of Matlosana has one large priority IT capital project running. This is:

- ICT Hardware/Software (Desktop Refreshment Programme). The programme is meant to decommission old and aging workstations and their related software (operating systems (OS) throughout the municipality and to replace them with the latest IT Assets
- Microsoft Enterprise Agreement (Microsoft Software Licenses). However, one of the largest licenses is the Microsoft Enterprise Agreement (EA) for the desktops/laptops operating system (OS). The EA is for three years

The cost of the license is approximately R572, 906.27 (\$56,657.20) per annum. The license includes the following products:-

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Product Descriptions	Quantity	Costs
ProDesktop	250	48,750.00
Project	5	1,070.60
VisioStd	5	418,00
Exchange	1	1,856.20
OfficeSharePoint	1	2,702.04
SQLSvrConfigMgrSvr MVL	1	218.16
WinSvrStd	5	1,366.60
TOTAL		\$56,657.20
Total Annual Payment	1-3 years	\$ 169,971.60

- ◆ Additionally, the City of Matlosana has procured software licenses for various business applications. In total there are approximately twenty-seven (27) of these business applications with various End Users licenses fees in the Municipality running, that are supporting different departments, divisions, and sectional objectives

The reasons for deviations from budget for net operating and capital expenditure are as follows:-

- ◆ There is a -1.6% deviation from the budget due to cutting of the IT capital budget during the period under review, 2011/2012
- ◆ Some of the licenses for other business applications in the municipality were not budgeted for by the IT division hence the increase in the software annual licensing fees that was not budgeted for 2011/2012 because the division had to meet the licensing obligations
- ◆ The 5 year target for the ICT Hardware/Software (Desktop Refreshment Programme) is for the replacement of old hardware and software technologies in the Municipality and the deployment of new technology infrastructure have been set out in the IDP
- ◆ On the maintenance and repairs of the entire municipal IT infrastructure, the deviation is 0.11% from the budget for net operating and capital expenditure.

3.24 LEGAL AND ADMINISTRATION SERVICES

INTRODUCTION TO LEGAL AND ADMINISTRATION SERVICES

The aim of Legal Services is to ensure a proper legal service to Council and the Municipal Manager, as well as the Executive Mayor and his Members of Mayoral Committee and other structures in Council. Prepare and ensure approval of legal documents relating to Council

Priorities set out by Legal Services are:-

- ◆ To establish a new panel of attorneys
- ◆ To centralize the contract management within the Legal Services

The impact Legal Services has on the priorities:-

- ◆ To comply with supply chain management principles and by including other attorneys in the panel that the previous one was since established during 2005

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- ◆ To create a system in which contract management will be managed within the Legal Services in terms of drafting, safe keeping and contract register

Measures taken to improve performance:-

- ◆ Contract management procedure was drafted and established
- ◆ Legal Services policy was established

Information	2009/10	2010/11	2011/12
Cases against Council	19	29	29
Cases for Council	58	43	49
Cases won	17	27	19
Cases settled	20	14	4
Cases outstanding	56	52	51
Cases referred to the High Court	11	20	27
Total Expenditure	R4,947,792	R6,813,206	R7,356,178

Employees: Legal and Administration					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	4	2	2	50%
4 - 6	10	11	9	2	18%
7 - 9	8	7	6	1	14%
10 - 12	11	15	10	5	33%
13 - 15	14	18	14	4	22%
16 - 18	6	7	6	1	14%
19 - 20	32	33	31	2	6%
Total	84	95	78	17	18%

Financial Performance 2011/12: Legal and Administration					
R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	28,670	9,613	15,619	220	-4269.55%
Expenditure:					
Employees	7,201	34,892	33,514	27,382	-27.43%
Repairs and Maintenance	158	131	127	54	-142.59%
Other	62,423	40,950	43,886	60,501	32.32%
Total Operational Expenditure	69,782	75,973	77,527	87,937	13.61%
Net Operational Expenditure	41,112	66,360	61,908	87,717	24.35%

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COMPONENT J: MISCELLANEOUS

3.25 AUDITED ANNUAL PERFORMANCE REPORT

Municipal Planning and Performance Management Regulations (2001) stipulates that a “municipality’s performance management system entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players” (Chapter 3, Section 7, Municipal Planning and Performance Management Regulations, 2001).

Section 46 of the Municipal Systems Act (Act 32 of 2000), stipulates the following:-

"Annual performance reports

46. (1) A municipality must prepare for each financial year a performance report *reflecting* –
 - (a) the performance of the municipality and of each external service provider during that financial year;
 - (b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
 - (c) measures taken to improve performance.
- (2) An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act."

The Performance Management Framework and Policy was adopted by Council during the 2007/08 financial year. The framework was reviewed and amended by Council on 30 June 2009 (CC 72/2009) and again on 29 April 2011 (CC35/2011).

The Annual Performance Report must be presented to the Auditor General for auditing together with the Annual Financial Statements on 31 August 2012.

As part of the report areas were addressed:-

1. National Key Performance Indicators

The municipality must set national key performance indicators, including input indicators, output indicators and outcome indicators, in respect of each of the development priorities and objects referred to in section 26(c) of the Act.

The following National Key Performance Indicators are prescribed in terms of section 43 of the Act:-

1	The Percentage of households with access to basic level of water, sanitation, electricity and solid waste removal.
2	The percentage of households earning less than R2,160 (for 2010/11 FY) and R2,280 (for 2011/12 FY) per month with access to free basic services
3	The percentage of the Municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the Municipality's IDP.

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4	The number of jobs created through the Municipality's local economic development initiatives including capital projects
5	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan.
6	The percentage of a municipality's budget actually spent on implementing its workplace skills plan
7	<p>DEBT COVERAGE</p> $A = (B - C)/D$ <p>Where:</p> <p>"A" represents debt coverage</p> <p>"B" represents total operating revenue received</p> <p>"C" represents operating grants</p> <p>"D" represents debt service payments (i.e. interest redemption) due within the financial year;</p>
	<p>OUTSTANDING SERVICES DEBTORS TO REVENUE</p> $A = B/C$ <p>Where:</p> <p>"A" represents outstanding services debtors to revenue</p> <p>"B" represents total outstanding service debtors</p> <p>"C" represents annual revenue actually received for services</p>
	<p>COST COVERAGE</p> $A = (B + C)/D$ <p>Where:</p> <p>"A" represents cost coverage</p> <p>"B" represents all available cash at a particular time</p> <p>"C" represents investments</p> <p>"D" represents monthly fixed operating expenditure</p>

In the process of including this National KPI's in the municipality's overall set of measures, the first step is to place each one of them under an appropriate KPA. The second step is to formulate a suitable development objective for the KPI. As an example, let us look at the first national KPI listed above. "*The percentage of households with access to basic levels of water, sanitation, electricity, and solid waste removal*". This KPI should resort under the KPA; *Service Delivery and Infrastructure Development*. An appropriate development objective for this KPI could be; "*To increase the percentage of households with access to basic levels of water, sanitation, electricity and solid waste removal*."

2. Outcome 9 of National Government

The Office of the Deputy Director General during October 2010 requested all directorates within the Chief Directorate, Local Government: Development and Planning to submit monthly / quarterly Outcome 9 reports, as per prescribed reporting template will reflect the process of collating data that will meet the LGTAS, Outcome, Ten-Point Plan and MSA requirements.

Council is reporting on Outcome 9 for the past two years, by means of the SDBIP and Performance Agreements of section 56 managers.

3. IDP Projects; 4. Capital Projects and 5. Operational

Key Performance Indicators

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Indicators are statements of measurement and are used to indicate whether progress is being made in achieving the goals. Indicators are important as they:

- Provide a common framework for gathering data for measurements and reporting.
- Translate complex concepts into simple operational measurable variables.
- Enables the review of goals and objectives.
- Assist in policy review processes.
- Help provide feedback to the municipality and staff.

COMMENT ON THE PERFORMANCE OF PERFORMANCE MANAGEMENT OVERALL






A performance highlight for the 2011/12 financial year is that the performance process include an unqualified audit of performance information.

1







National Key Performance Indicators

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KEY PERFORMANCE AREA 1: Basic Service Delivery & Infrastructure Development

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
National KPI	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To provide basic municipal services to ensure access to sanitation						
Sanitation							
Nr and % of households with access to basic level of sanitation - Urban Areas	156,000 99.1%	156,040 99,3%	156,040 and 97.3% of households with access to basic level of sanitation by June 2012 - Urban Areas	156,040 97.7%			
Nr. of household without access to basic level of sanitation - Urban Areas	1,380	1,065	1,016 Household without access to basic level of sanitation by June 2012 - Urban Areas	1,065			
Nr. of sanitation backlogs eliminated - Urban Areas	669*	317	49 Sanitation backlogs eliminated by June 2012 - Urban Areas	49			
Nr and % of households with access to basic level of sanitation- Rural Settlements	2,175 92.41%	2,575 100%	2,575 and 100% of households with access to basic level of sanitation by June 2012 - Rural Settlements	2,575 100%			
Nr. of household without the access to basic level of sanitation - Rural Settlements	201*	0 (Zero backlogs)	Zero household without the access to basic level of sanitation by June 2012 - Rural Settlements	0 (Zero backlogs)			





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DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
National KPI	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To provide basic municipal services to ensure access to sanitation and water						
Nr. of sanitation backlogs eliminated - Rural Settlements	137	201	Zero sanitation backlogs to eliminate by June 2012 - Rural Settlements	0 (Zero backlogs)			
Water							
Number and % of households with access to basic level of water - Urban Areas	153,269 100%	155,770 100%	157,835 and 99% of households with access to basic level of water by June 2012 - Urban Areas	157,835 100%			
Number of households without access to basic level of water - Urban Areas	0	0	Zero household without the access to basic level of water by June 2012 - Urban Areas	0			
Nr. of water backlogs eliminated - Urban Areas	0	0	Backlogs eliminated as per request by June 2012 - Urban Areas	0			
Nr and % of households with access to basic level of water - Rural Settlements	1,845 100%	1,845 100%	1,845 and 100% of households with access to basic level of water by June 2012 - Rural Settlements	0 0%		Limited funds	An amount of R2 million from MIG is available in the 2012/13 financial year
Nr. of household backlogs with access to basic level of water - Rural Settlements	1,845*	1,439	1,845Household without the access to basic level of water by June 2012 - Rural Settlements	1,845		Limited funds	An amount of R2 million from MIG is available in the 2012/13 financial year

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DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
National KPI	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To provide basic municipal services to ensure access to water and electricity						
Nr. of water backlogs eliminated - Rural Settlements	1,023	406	205 Water backlogs eliminated by June 2012 - Rural Settlements	0		Limited funds	An amount of R2 million from MIG is available in the 2012/13 financial year
Figures includes the influx of informal settlements							
DIRECTORATE: ELECTRICAL AND MECHANICAL ENGINEERING							
Number and % of households with access to basic level of electricity - Urban Areas	148,927 85.90%	156,594 88.0%	157,620 and 100% Households with access to basic level of electricity by June 2012 - Urban Areas	156,530 89.2%		Completion of Jouberton Extension 24 project of 1192 houses not done due to delay in SCM process. (Only 350 normal connections received and done)	Completion of 1192 in Jouberton Extension 24 in November 2012.
Number of household without access to basic level of electricity - Urban Areas	5,223	4,350	1,412 Households without access to basic level of electricity by June 2012 - Urban Areas	0		Delay due to completion of Jouberton Extension 24 project (1 192 houses) and limited funding allowed for only 1 256 connections in Eskom Areas.	Completion of 1192 in Jouberton Extension 24 in November 2012 and other projects to address backlogs in Eskom areas to be done in 2012/13.
Number of electricity backlogs eliminated - Urban Areas	2,813	1,192	1 ,192	1 ,256		Delay due to completion of Jouberton Extension 24 project and Eskom connected 956 houses more than the approved target.	Completion of 1192 in Jouberton Extension 24 in November 2012

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DIRECTORATE: ELECTRICAL AND MECHANICAL ENGINEERING							
National KPI	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To provide basic municipal services to ensure access to electricity and refuse removal						
Rural Settlement Households with or without access to basic level of electricity	Rural Settlements are within the jurisdiction of Eskom – No information received from Eskom		1,785 Households with access to basic level of electricity by June 2012 - Rural Areas	785 With electricity 1,894 Without electricity		No projects are approved due to limited funding and other backlogs in private lands.	Projects submitted to Eskom for application of funding to DoE and Municipality to engage land owners.
DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Nr. and % of households with access to basic level of refuse removal – Urban Areas	159,640 100%	159,660 100%	159,680 and 100% Households with access to basic level of refuse removal by June 2012 - Urban Areas	159,680 100%			
Nr. of households without access to basic level of refuse removal - Urban Areas	0 (Zero backlogs)	0 (Zero backlogs)	Zero household without access to basic level of refuse removal by June 2012 - Urban Areas	0 (Zero backlogs)			
Nr. of refuse removal backlogs eliminated – Urban Areas	0 (Zero backlogs)	0 (Zero backlogs)	Zero refuse removal backlogs to eliminate by June 2012 - Urban Areas	0 (Zero backlogs)			
Rural Settlement Households of with or without access to basic level of refuse removal	Council cannot render service on un-proclaimed land - Final approval of Waste Management Plan by Council and Province						





Chapter 3

KEY PERFORMANCE AREA 2: Local Economic Development

DIRECTORATE: MARCO CITY PLANNING AND DEVELOPMENT							
National KPI	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To create jobs to address unemployment						
Number of permanent and jobs exceeding 3 months jobs created through the Municipality's local economic development initiatives including capital projects – Urban Areas	961 Jobs created	712 Jobs created	Creating 700 permanent and jobs exceeding 3 months through the Municipality's local economic development initiatives including capital projects by June 2012 - Urban Areas	102 Jobs created (EPWP – 102 Jobs – MIG funded) (LED – 0 Jobs)		Delay on the appointment of contractors	Approach external funders for funding IDP projects. AngloGold Ashanti to fund hawker shelter, hawker kitchen and market hall
Number of permanent and jobs exceeding 3 months jobs created through the Municipality's local economic development initiatives including capital projects – Rural Settlements	51 Jobs created	305 Jobs created	Creating 400 permanent and jobs exceeding 3 months through the Municipality's local economic development initiatives including capital projects by June 2012 - Rural Settlements	0 Jobs created		Delay in procuring of equipment by the district municipality	Approach district municipality for the purchasing of farming equipment




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KEY PERFORMANCE AREA 3: Municipal Institutional Development and Transformation





DIRECTORATE: CORPORATE SERVICES							
National KPI	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To spent a percentage of municipality's budget on implementing its workplace skill plan						
Rand value and % of Training Expenditure / Levy achieved for 2011/12 financial year	R2,969,419 112.41%	R3,513,599 98.36%	R3,448,497 and 98.48% of Training Expenditure / Levy achieved for 2011/12 financial year by June 2012	R3,108,518 98.36%		SCM process was not finalized in time to appoint service providers – tender lapsed	New tenders invited
Rand value and % of SETA 2011/12 financial year	R714,471	R1,611,466	R2,000,000 and 100% of SETA 2011/12 financial year by June 2012	R2,557,658 127.88%			
INDICATOR	MEASURABLE OBJECTIVE: To spent a percentage of municipality's budget on implementing its workplace skill plan						
Number of males employees in the three highest level of management	31	31	31	31			
Number of females employees in the three highest level of management	9	9	9	9			

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KEY PERFORMANCE AREA 4: Municipal Financial Viability & Management

DIRECTORATE: FINANCIAL SERVICES							
National KPI	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To allocated Indigent Subsidy for Free Basic Services to comply with legislation						
Nr. and % of registered and approved urban households earning less than R2,280 per month with access to free basic services	39,389 35% Registered and approved households	42,213 39.4% Registered and approved households	42,500 and 52.4% of registered and approved urban households earning less than R2,280 per month (indigents) with access to free basic services by June 2012	41,125 52.0% Registered and approved households		Decrease in approved indigents application	Re-registration process of indigents will be done in the new year
R value spend on households earning less than R2,280 per month with access to free basic services	R70,000,000	R95,027,206	R99,262,000 value spend on households earning less than R2,280 per month (indigents) with access to free basic services by June 2012	R94,554,740		Prices differences of services between the budget and actual	Re-registration process of indigents will be done in the new year
% Of registered rural settlements earning less than R2,280 per month (indigents) with access to free basic services	New field	New field	70% Of registered rural settlements earning less than R2,280 per month (indigents) with access to free basic services by June 2012	71%			


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DIRECTORATE: FINANCIAL SERVICES							
National KPI	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To allocated Indigent Subsidy for Free Basic Services to comply with legislation						
Nr. of approved rural settlements with free basic alternative energy (indigents)	New field	New field	2,100 Of approved rural settlements with free basic alternative energy (indigents) by June 2012	1 ,550		Assisted all approved applications	
70 Kwh Electricity & 10k℥ Water free							
INDICATOR	MEASURABLE OBJECTIVE: The percentage of the municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipalities IDP						
Rand value of capital budget approved	R375,705,200 (Revised)	R314,316,596	R233,595,846 capital budget approved by June 2012	R233,595,846 (Revised)			
Rand value of total expenditure on capital budget	R183,333,643	R150,369,907	Total expenditure on capital budget as at June 2012	R 112,512,380		Project cancelled due to financial constraints	Council's financial situation to be reviewed
% Of total expenditure on capital budget spent	51.25%	47.84%	100% Of total expenditure on capital budget spent by June 2012	48.47%		Project cancelled due to financial constraints	Council's financial situation to be reviewed

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DIRECTORATE: FINANCIAL SERVICES							
National KPI	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To express financial viability						
% of Debt coverage ratio for 2011/12	84,3:1	70,9:1	Debt coverage ratio (35.5:1) for 2010/11 by August 2011 A=(B-C) / D Where: “A” represents debt coverage “B” represents total operating revenue received “C” represents operating grants “D” represents debt service payments (i.e. interest + redemption) due within the financial year	24,21:1		Decline in consumer payments. Poor rate of debt collection.	Improve on the quality of debtors data. Embark on data cleansing exercise. Streamline internal debt collection, credit control and revenue collection activities.
% of Outstanding Service Debtors to Revenue ratio	112.50%	42.70%	Outstanding Service Debtors to Revenue ratio (0.7%) for 2010/11 by August 2011 A=B/C	42.70%			Increase debt collection and restrict services for defaulters. Implement IT solutions to enhance revenue, debt and credit control activities.

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DIRECTORATE: FINANCIAL SERVICES							
National KPI	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To express financial viability						
			Where: “A” represents outstanding service debtors to revenue “B” represents total outstanding service debtors “C” represents annual revenue actually received for services				
% of Cost coverage ratio for	112.50%	42.70%	Cost coverage ratio (0.09%) for 2010/11 by August 2011 A=(B+C)/D Where: “A” represents cost coverage “B” represents all available cash at a particular time “C” represents investments “D” represents monthly fixed operating expenditure	15,74%		Decline in the revenue base of the municipality. Increase in the number of indigents. Negative impact of the increase of electricity and water tariffs on consumers.	Implement cost management Plan Implement municipal tariffs in a fair, consistent, and equitable manner.

2


Outcome 9 Indicators from National Government

Chapter 3



SERVICE DELIVERY

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To provide access to municipal roads						
Km of new municipal roads constructed – Urban Areas	12.3 Km	15.04 Km	15,98 Km of new municipal roads constructed in various areas by June 2012	14,7 Km		Some projects cancelled / deferred due to financial constraints	Council's financial situation to be reviewed
Km of new municipal roads constructed – Rural Settlements	0 Km	0 Km	0 Km of new municipal roads constructed in various areas by June 2012	0 Km		Council cannot service un-proclaimed land	N/A




FINANCIAL & ADMINISTRATIVE & CAPACITY

DIRECTORATE: FINANCIAL SERVICES							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
Revenue management							
INDICATOR	MEASURABLE OBJECTIVE: To identify the grants received as revenue to better service delivery						
Grants as a % of revenue received	54%	Grants as a % of revenue received	54%	Grants as a 85% of revenue received			



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DIRECTORATE: FINANCIAL SERVICES							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
Revenue management							
INDICATOR	MEASURABLE OBJECTIVE: To collect revenue for property rates to comply with legislation						
% of budgeted revenue for property rates collected	82%	69%	% of budgeted revenue for property rates collected by June 2012 (Implementation of the Municipal Property Rates Act, 2004 (Act no. 6 of 2004)	40.93% (R30,253,745)		Poor rate of revenue collection.	Embark on data cleansing project. Streamline internal debt collection, revenue, and credit control processes. Enforce the debt and credit control policies. Review debt and credit control measure
INDICATOR	MEASURABLE OBJECTIVE: To increase Payments Received vs. Monthly Levies (Collection rate of billings)						
% Increase in annual debtors collection rate	-3% Increase (from current 85% to 82%)	-2% Increase (from current 82% to 80%)	3% Increase (from current 78% to 81%) in annual service debtors collection rate by June 2012	4% Increase (from current 78% to 82%)			Improved collection however more needs to be done. Embark on data cleansing project. Streamline internal debt collection, revenue, and credit control processes. Enforce the debt and credit control policies.



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DIRECTORATE: FINANCIAL SERVICES							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
Revenue management							
INDICATOR	MEASURABLE OBJECTIVE: To control debt management to ensure financial sustainability						
R value spend debtors outstanding as a % of own revenue	New field	78%	Amount of rand value debtors outstanding as 35% of own revenue by June 2012	46.10%		Poor rate of collection	Increase the number of cut-off each months on defaulters Increase internal efficiency in the collection activities. Embark on data cleansing project. Streamline internal debt collection, revenue, and credit control processes. Enforce the debt and credit control policies. Review debt and credit control measure
% of debt over 90 days	New field	81%	10 % of debt over 90 days by June 2012	85%		Slow/Non-payment by customers	Review and Implement debt collection mechanism
% of debt collected as a percentage of money owed to the municipality	New field	11%	90 % of debt collected as a percentage of money owed to the municipality by June 2012	82%		Poor collection rate (history) - R840 million No external debt collectors are used in the year under review	Focus on in-house training of personnel Embark on data cleansing project.




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DIRECTORATE: FINANCIAL SERVICES							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
							Streamline internal debt collection, revenue, and credit control processes. Enforce the debt and credit control policies. Review debt and credit control measure
Expenditure Management							
INDICATOR	MEASURABLE OBJECTIVE: To control expenditure management to ensure financial sustainability						
Quarterly operational expenditure as a percentage of planned expenditure	33%	94%	Quarterly operational expenditure as a percentage of planned expenditure (R1,831,544) by June 2012	R1,394,920,762 83.31%		Less cash available to spend	Review and Implement debt collection mechanism in order to improve available cash
Quarterly capital expenditure as a % of planned capital expenditure	17%	47.84%	Quarterly capital expenditure as a % of planned capital expenditure (R206,159,000) by June 2012	R109,666,452 40,14%		Less cash available to spend	Review and Implement debt collection mechanism in order to improve available cash




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DIRECTORATE: FINANCIAL SERVICES							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
Expenditure Management							
INDICATOR	MEASURABLE OBJECTIVE: To control expenditure management to ensure financial sustainability						
% of operational budget spent on repairs and maintenance	25%	121.93%	4% of operational budget spent on repairs and maintenance at a cost of R66,816,000 by June 2012	R42,089,482 74,60%		Lack of funds in the bank to support repairs and maintenance of assets.	To identify alternative debt collection strategies. Identify, and priorities critical assets requiring repairs and maintenance.
MIG expenditure a % of annual allocation	40%	91%	MIG expenditure as 95 % of annual allocation (R100,609,000) by June 2012	R50,145,368 49.84%		SCM Committees did not sit frequently as required during the period under review	Draft twelve months schedule for the Committees. Distribute notices on time. Generate minutes of the different Committees on time. Report on progress on improvement and any deviations on time to Council and the MM and implement consequence management





Chapter 3

DIRECTORATE: STRATEGIC PLANNING, MONITORING AND CONTROL							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To reduce disclaimers to obtain a clean audit report						
Audit opinion received from Auditor General	Disclaimer	Disclaimer	Receiving an unqualified audit opinion from the Auditor General by November 2011	Disclaimer		Non-implementation of the Auditor Generals recommendations	Implementation of the Clean audit plan including recommendations of MPAC, Audit Committee and AG
Integrated Development Planning							
INDICATOR	MEASURABLE OBJECTIVE: To approve the final IDP to comply with legislation						
Timeous adoption of the 2012/13 IDP	Final 2010/11 IDP approved	Final 2011/12 IDP approved (CC 35/2011 dated 29 April 2011)	Approving final 2012/13 IDP by Council by May 2012	Final IDP approved on 29 May 2012. CC 45/2012 dated 29 May 2012			
INDICATOR	MEASURABLE OBJECTIVE: To approve the budget in order to comply with legislation						
Timeous adoption of the Final 2012/13 budget	31 May 2010	2011/12 Budget approved (CC 35/2011 dated 29 April 2011)	Approving the final 2012/13 budget by 31 May 2012	Final 2012/13 Budget approved. CC 45/2012 dated 29 May 2012			

Chapter 3




DIRECTORATE: STRATEGIC PLANNING, MONITORING AND CONTROL							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
Integrated Development Planning							
INDICATOR	MEASURABLE OBJECTIVE: To approve the final SDBIP to ensure compliance with legislation						
Timeous adoption of the final 2012/13 SDBIP approved by Executive Mayor	Final 2010/11 SDBIP approved	Final 2011/12 SDBIP approved by EM 27/2011 on 17 May 2011	Approving final 2012/13 SDBIP by Executive Mayor (28 days after approval of budget) by June 2012	Final 2012/13 SDBIP approved. EM 27/2012 dated 20 June 2012			
Administration							
INDICATOR	MEASURABLE OBJECTIVE: To table the Annual Report to comply with section 121 of MFMA						
2010/11 Annual Report tabled before Council	2008/09 Annual Report tabled	2009/10 Annual Report tabled (CC 6/2011 dated 31 January 2011)	Tabling the 2010/11 Annual Report before Council by 31 January 2012	2010/11 Annual Report tabled. CC 01/2012 dated 31 January 2012			
DIRECTORATE: FINANCIAL SERVICES							
INDICATOR	MEASURABLE OBJECTIVE: To submit the 2010/11 Financial Statements on time to comply with legislation						
2010/11 Financial statements submitted to the Auditor-General	2008/09 Statements submitted by 31 August 2009	2009/10 Statements submitted on 31 August 2010	Submitting the 2010/11 financial statements to the Auditor-General by 31 August 2011	Statements submitted to AG on 9 September 2011		Late corrections on financial statements	Financial statements to be submitted by 31 August 2012.

Chapter 3

DIRECTORATE: FINANCIAL SERVICES							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
Administration							
INDICATOR	MEASURABLE OBJECTIVE: To allocated Indigent Subsidy for Free Basic Services to comply with legislation						
Updated and credible indigent registers	Granted and approved subsidies	Granted and approved subsidies	Updated and credible indigent registers by June 2012	Granted and approved subsidies			
INDICATOR	MEASURABLE OBJECTIVE: To allocated Indigent Subsidy for Free Basic Services to comply with legislation						
Financial controls applied to ensure usage is monitored / limited to indigent policy	Verification of beneficiaries	Verification of beneficiaries	Financial controls applied to ensure usage is monitored / limited to indigent policy by June 2012	Verification of beneficiaries		Met target	Re-registration process of indigents will be done in the new year
Reduce Corruption							
INDICATOR	MEASURABLE OBJECTIVE: To implement internal co-operation and control to ensure compliance with legislation						
Supply Chain Management system functional	Supply Chain Management policy developed	Supply Chain Management policies implemented and monitored	Functional Supply Chain Management system by June 2011	Supply Chain Management policies implemented		Partial implementation of the policy	Supply Chain Management policies implemented and monitored closely
INDICATOR	MEASURABLE OBJECTIVE: To implement internal co-operation and control to ensure compliance with legislation						
Anti-corruption strategy implemented by target date	Not yet	Not yet	Implementing an Anti-corruption strategy by July 2012	Not yet		The firm LBV has been appointed and a final draft has been submitted to council	Policy workshop to be conducted early in the next financial year




Chapter 3

LABOUR RELATIONS

DIRECTORATE: CORPORATE SERVICES							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To filled critical Positions with competent employees						
Nr. and % of section 56 posts filled	7 Positions filled 100%	7 Positions filled 100%	8 and 100% of section 56 posts filled by June 2012	6 Positions filled 75%		Positions of Director: Civil Services & Human Settlements and Director: Municipal & Environmental Services re-advertized	Council to make appointments
INDICATOR	MEASURABLE OBJECTIVE: To hold LLF meetings to ensure industrial harmony						
Number of LLF meetings conducted	7 LLF meetings	8 LLF meetings	Convening 11 LLF meetings by June 2012	9 LLF meetings		The scheduled LLF meetings were not held based on the reason that in January & February 2012, there was no Municipal Manager appointed. The March 2012 meeting was postponed due to operational reasons	To conduct monthly meetings in the next financial year
DIRECTORATE: STRATEGIC PLANNING, MONITORING AND CONTROL							
INDICATOR	MEASURABLE OBJECTIVE: To sign the Performance Agreements to comply with legislation						
2012/13 Performance Agreements with section 57 employees signed	2010/11 Performance Agreements signed	2011/12 Performance Agreements signed (EM 27/2011 dated 17 May 2011)	Signing 2012/13 performance agreements with section 57 employees by June 2012	2012/13 Performance Agreements signed (EM 27/2012 dated 20 June 2012)			

Chapter 3

GOVERNANCE / PUBLIC PARTICIPATION

DIRECTORATE: CORPORATE SERVICES							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To enhance public participation as per legislation						
Number of Imbizo's conducted	16 Imbizo's	8 Imbizo's	Conducting 4 Imbizo's by June 2012	10 Imbizo's			
Number of Operational Phakamas conducted	1 Operational Phakamas	3 Operational Phakamas	Conducting 4 Operational Phakamas in identified wards at a cost of R600,000 R300,000 (Revised - CC 07/2012) by June 2012	0 Operational Phakamas		Due to cash flow challenges it was resolved not to continue with the Phakamas	To commence with scheduled Phakamas in the new financial year
INDICATOR	MEASURABLE OBJECTIVE: To develop a Community Development Plan to determine community satisfaction						
Community Based Plan (CBP) implemented in phases	Phase 1 completed	Phase 2 – 3 completed	Implementing the Community Based Plan (CBP) in 4 wards and submitting a report to Council at a cost of R1,000,000 R500,000 (Revised - CC 07/2012) by June 2012	0 Operational Phakamas		Council has to decide on the project	A report on the appointment of field workers will be submitted during July 2012

Chapter 3

LED / ENABLING ENVIRONMENT

DIRECTORATE: MACRO CITY PLANNING AND DEVELOPMENT							
Outcome 9	Previous Financial Years		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	2009/10	2010/11	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To ensure alignment between LED strategies and PGDS to comply with legislation						
LED strategy and plans aligned	Not yet	LED strategy and plans are aligned	LED strategy and plans are aligned with PGDS by June 2012	Not yet		Awaiting date for the workshop from the Corporate Services	Workshop with councillors to be conducted on 13 September 2012



Chapter 3

3



IDP Projects (Grant & Council Funded)

Chapter 3



3.1 GRANT FUNDED PROJECTS

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Roads							
INDICATOR	MEASURABLE OBJECTIVE: To construct roads to maintain current infrastructure and access to the community						
Km of roads in Jouberton constructed as per program	Constructing 7,99 km roads in Jouberton (Mohlakoane, Phusuhudu, Mothabe, Morubisi, Molotsi, Motsoenyane, Daffodil, Phenyeke, Motaung, Thandanani Streets) at a cost of R9,050,255 by March 2011	As per programme R5,012,643	Constructing 7,99 km roads in Jouberton (Mohlakoane, Phusuhudu, Mothabe, Morubisi, Molotsi, Motsoenyane, Daffodil, Phenyeke, Motaung, Thandanani Streets) at a cost of R4,037,613 by June 2012	7,99 km Roads constructed - Project completed		Funds for completion of project were debited against 2010/11 Financial Year	
INDICATOR	MEASURABLE OBJECTIVE: To pave taxi routes and upgrade storm water drainage systems to ensure a better accessibility to the community						
Km taxi routes paved and storm water drainage system upgraded as per program in Jouberton (Phase 4B)	-	-	Paving of 5.1 km taxi routes and upgrading of storm water drainage system as per program in Jouberton (Phase 4B) at a cost of R6,800,000 by June 2012	Contractor on Site R2,201,823		Delay due to re-advertisements and late appointment of contractor	Revised construction program to recover lost time




Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Roads							
INDICATOR	MEASURABLE OBJECTIVE: To pave taxi routes and upgrade storm water drainage systems to ensure a better accessibility to the community						
Km taxi routes paved and storm water drainage system upgraded as per program in Jouberton (Phase 5)	Paving of 5,97km taxi routes and upgrading of storm water drainage system in Jouberton (Govern Mbeki, Galela Mokantle, Hlanganani, Mogale, Phunga, Mosala Msangala, Mokabi Bhotile, Streets)(Phase 4) at a cost of R13,829,699 by June 2011	5.97 Km Road paved R12,897,656 Phase 4 completed	Paving of 5.1 km taxi routes and upgrading of storm water drainage system as per program in Jouberton (Phase 5) at a cost of R5,500,000 (Revised - CC 12/2012) by June 2012	Consultant appointed R9,202		Delay due to re-advertisements and late appointment of consultant on 17 April 2012	Contractor to be appointed on 13 July 2012. Revised construction program to recover lost time
Km taxi routes paved and storm water drainage system upgraded as per program in Tigane (Phase 4)	Paving of 3,78 km taxi routes and upgrading of storm water drainage system in Tigane (Challien, Brink, Eerste & Atlantis Street)(Phase 4) at a cost of R6,000,000 by March 2011	3.67 Km R4,141,353	Paving of 1,48 km taxi routes and upgrading of storm water drainage system in Tigane (Challien, Brink, Eerste & Atlantis Street) (Phase 4) at a cost of R4,186,960 by June 2012	1,48 Km Road paved R3,450,370 Project completed			




Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Roads							
INDICATOR	MEASURABLE OBJECTIVE: To pave taxi routes and upgrade storm water drainage systems to ensure a better accessibility to the community						
Km taxi routes paved and storm water drainage system upgraded as per program in Tigane (Phase 5)	Paving of 3.778 km taxi routes and storm-water drainage system upgraded in Tigane (Phase 4) at a cost of R8,353,228 by March 2011	2.3 Km R4,166,272	Paving of 3.2 km taxi routes and upgrading of storm water drainage system as per program in Tigane (Phase 5) at a cost of R4,000,000 (Revised - CC 12/2012) by June 2012	Consultant appointed R16,160		Delay due to re-advertisements and late appointment of consultant on 17 April 2012. (MM 40/2012)	Revised construction program to recover lost time
Km taxi routes paved and storm water drainage system upgraded as per program in Khuma (Phase 4)	Paving of 3,68 km taxi routes and upgrading of storm water drainage system in Khuma (Mkhotwana, Lebata, Koppies, Mohokare Streets (all ward 6) Impala, Mokaba, Longiwe, Baile, Kutlwano Streets (all ward 7) (Phase 4) at a cost of R8,387,916 by March 2011	2.1 Km R3,963,261	Paving of 1,58 km taxi routes and upgrading of storm water drainage system in Khuma (Mkhotwana, Lebata, Koppies, Mohokare Streets (all ward 6) Impala, Mokaba, Longiwe, Baile, Kutlwano Streets (all ward 7) (Phase 4) at a cost of R4,113,683 by June 2012	1,58 Km Road paved R3,355,839 Project completed			




Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Roads							
INDICATOR	MEASURABLE OBJECTIVE: To pave taxi routes and upgrade storm water drainage systems to ensure a better accessibility to the community						
Km taxi routes paved and storm water drainage system upgraded as per program in Khuma (Phase 5)	Paving 3,4 km taxi routes and installing storm water drainage in Khuma (Phase 2) at a cost of R2,007,3429 by June 2011	None R0.00	Paving of 3.4 km taxi routes and upgrading of storm water drainage systems per program in Khuma (Phase 5) at a cost of R4,000,000 (Revised - CC 12/2012) by June 2012	Consultant appointed R1,825		Delay due to re-advertisements and late appointment of consultant on 17 April 2012	Revised construction program to recover lost time
Km taxi routes paved and storm water drainage system upgraded as per program in Alabama (Phase 3)	Constructing 2,6 km roads in Alabama Ext 3 at a cost of R585,283 June 2011 - Adjustment Budget R161 CC17/2011	None R0.00	Paving of 2,6 km taxi routes and upgrading of storm water drainage system in Alabama (Phase 3) at a cost of R1,622,724 by June 2012	2,6 Km Road paved R1,593,532. Project completed			
Km taxi routes paved and storm water drainage system upgraded as per program in Alabama (Phase 4)	Paving of 3.67 km taxi routes and upgrading of storm water drainage system in Alabama (Phase 3) at a cost of R7,359,095 by March 2011	1,07 km R0.00	Paving of 2.6 km taxi routes and upgrading of storm water drainage system as per program in Alabama (Phase 4) at a cost of R4,000,000 (Revised - CC 12/2012) by June 2012	Consultant appointed R1,825		Delay due to re-advertisements and late appointment of consultant on 17 April 2012	Contractor to be appointed on 13 July 2012. Revised construction program to recover lost time



Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Roads							
INDICATOR	MEASURABLE OBJECTIVE: To pave taxi routes and upgrade storm water drainage systems to ensure a better accessibility to the community						
Km taxi routes paved and storm water drainage system upgraded as per program in Kanana (Lenong Road)	Paving of 1,55 km and 1,4km rehabilitation of taxi routes and upgrading of storm water drainage system in Kanana (Lenong Road) at a cost of R6,500,000 by December 2010	Lay works & kerbing done R1,691,534	Paving of 1,55 km and 1,4km rehabilitation of taxi routes and upgrading of storm water drainage system in Kanana (Lenong Road) at a cost of R5,108,465 by June 2012	New Contractor appointed R447,327		Delay due to re-advertisement, termination of contract with previous contractor and late appointment of new contractor	Revised construction program to recover lost time
Km taxi routes paved and storm water drainage system upgraded as per program in Kanana (Phase 4)	Paving of 3.43 km taxi routes and upgrading of storm water drainage system in Kanana (Phase 4) at a cost of R8,472,290 by March 2011	Lay works & kerbing done R1,162,126	Paving of 3.43 km taxi routes and upgrading of storm water drainage system in Kanana (Phase 4) at a cost of R6,668,160 by June 2012	3.43 Km Road paved R6,566,665 Project completed			
Km taxi routes paved and storm water drainage system upgraded as per program in Kanana (Phase 5)	-	-	Paving of 3.25 km taxi routes and upgrading of storm water drainage system as per program in Kanana (Phase 5) at a cost of R4,000,000 (Revised - CC 12/2012) by June 2012	Contractor appointed R25,042		Delay due to re-advertisements and late appointment of contractor	Revised construction program to recover lost time




Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Roads							
INDICATOR	MEASURABLE OBJECTIVE: To provide main storm water drainage to ensure new infrastructure and better service delivery						
Km main storm water drainage constructed in Jouberton from Tshepong Hospital to Schoonspruit river	Constructing 2.4km main storm water drainage in Jouberton between Tshepong Hospital and Ext 23 (Phase 2) at a cost of R5,030,900 by March 2011	2.4 Km constructed R4,471,668.50	Constructing a 2.5 km main storm water drainage in Jouberton from Tshepong Hospital to Schoonspruit river at a cost of R3,000,000 (Revised - CC 12/2012) by June 2012	2,5 km open storm water channel Project completed		Funds for completion of project were debited against 2010/11 Financial Year.	
INDICATOR	MEASURABLE OBJECTIVE: To construct taxi routes and install storm water drainage to improve service delivery						
Km of taxi routes and storm water drainage constructed in Jouberton (Phase 3B)	Constructing 1 km taxi routes and installing storm water drainage in Jouberton at a cost of R4,300,870 by June 2011	None R0.00	Constructing 1 km taxi routes and installing storm water drainage in Jouberton (phase 3B) at a cost of R400,000 (Revised - CC 12/2012) by June 2012	1 Km Road constructed R9,797,989 Project completed		Amount include total expenditure for roll-over project	
Km of taxi routes and storm water drainage constructed in Kanana	Constructing 3.07 km taxi routes and installing storm water drainage in Kanana at a cost of R428,680 by June 2011	None R57,019	Constructing 3.072 km taxi routes and installing storm water drainage in Kanana at a cost of R1,069,710 (Revised - CC 12/2012) by June 2012	3.07 Km Road constructed - project completed in 2010. Legal dispute in progress.			




Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Roads							
INDICATOR	MEASURABLE OBJECTIVE: To construct stone pitching and lining of storm water drainage to ensure the speedy flow of water during raining seasons						
Km stone pitching constructed and km of storm water drainage lined in Khuma from Big street to Farm 442	-	-	Constructing 1.5 km stone pitching and lining 1.5 km of storm water drainage in Khuma from Big street to Farm 442 at a cost of R590,898 (Revised - CC 12/2012) by June 2012	1,5 Km R20,213 Project completed			
Water							
INDICATOR	MEASURABLE OBJECTIVE: To increase capacity of the zinc tank in Tigane ext 4 to meet community demand						
Ml capacity increased of the current zinc tank in Tigane ext 4	Refurbishing the zink tank in Tigane at a cost of R500,000 by June 2011 - Adjustment Budget CC17/2011	Not yet R0.00	Increasing the capacity of the current 0.25 Ml zinc tank in Tigane ext 4 to a 0.5 Ml zinc tank at a cost of R1,440,960 (Revised - CC 12/2012) by June 2012	Not yet R0.00		Project on hold due to shortfall of funds in the project	Roll-over requested



Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Water							
INDICATOR	MEASURABLE OBJECTIVE: To improve bulk water supply in Khuma (Phase 2) to ensure a basic water service						
Bulk water supply improved with a water pressure tower (± 10.8m) for Khuma proper (Phase 2)	Supplying bulk water pressure tower (± 10.8m) / pump station (phase 1) to Khuma at a cost of R2,267,208 by March 2011	2.5 Km R1,402,097	Supplying bulk water pressure tower (± 10.8m) (phase 2) to Khuma at a cost of R636,290 by March 2012	98% Completion R636,290		Construction stage to be completed on 31 August 2012	Speed up the process
Bulk water supply improved with a water pressure tower (± 10.8m) for Khuma proper (Phase 2B)	Supplying bulk water with pressure tower (± 10.8m) / pump station in the Khuma areas (Phase 2) at a cost of R6,989,031 by June 2011	2.5 Km R3,842,660	Supplying bulk water pressure tower (± 10.8m) (phase 2B) to Khuma at a cost of R9,555,953 (Revised - CC 12/2012) by March 2012	98% Completion R6,004,886		Construction stage to be completed on 31 August 2012	Roll-over requested
INDICATOR	MEASURABLE OBJECTIVE: To improve bulk water supply in Khuma (Phase 2) to ensure a basic water service						
Bulk water supply improved with a water pressure tower (± 10.8m) for Khuma proper (Phase 2)	Supplying bulk water pressure tower (± 10.8m) / pump station (phase 1) to Khuma at a cost of R2,267,208 by March 2011	2.5 Km R1,402,097	Supplying bulk water pressure tower (± 10.8m) (phase 2) to Khuma at a cost of R636,290 by March 2012	98% Completion R636,290		Construction stage to be completed on 31 August 2012	Speed up the process




Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Water							
INDICATOR	MEASURABLE OBJECTIVE: To improve bulk water supply in Khuma (Phase 2) to ensure a basic water service						
Bulk water supply improved with a water pressure tower (± 10.8m) for Khuma proper (Phase 2B)	Supplying bulk water with pressure tower (± 10.8m) / pump station in the Khuma areas (Phase 2) at a cost of R6,989,031 by June 2011	2.5 Km R3,842,660	Supplying bulk water pressure tower (± 10.8m) (phase 2B) to Khuma at a cost of R9,555,953 (Revised - CC 12/2012) by March 2012	98% Completion R6,004,886		Construction stage to be completed on 31 August 2012	Roll-over requested
Sanitation							
INDICATOR	MEASURABLE OBJECTIVE: To increase the holding capacity at the WWTP in Hartbeesfontein to ensure the effluent standards meet the requirements						
Increasing the holding capacity at the Hartbeesfontein WWTP (Phase 1)	-	-	Increasing the holding capacity at the Hartbeesfontein WWTP (Phase 1) to the capacity from 4Mℓ to 8Mℓ /day at a cost of R20,000,000 (Revised - CC 12/2012) by June 2012	Civil works 69% completed R8,655,765		Behind schedule due to late appointment of contractor. Await approval of the Multi year project Roll-over (Council Counter fund & MIG)	Appoint Mechanical and Electrical Contractor as soon as roll-over approval has been done
Increasing the holding capacity at the Hartbeesfontein WWTP (Phase 1)	Increasing the holding capacity at the Hartbeesfontein WWTP (Phase 1) to the capacity from 4Mℓ to	Not yet R1,753,046	Increasing the holding capacity at the Hartbeesfontein WWTP (Phase 1) to the capacity from 4Mℓ	Civil works 55% completed R454,648		Behind schedule due to late appointment of contractor. Await approval of the multi year project	Appoint Mechanical and Electrical Contractor as soon as roll-over approval has been done




Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Sanitation							
Continue	8Mℓ /day at a cost of R5,722,000 by March 2011 (R37,000,000 for 2010 - 2012 Financial Years)		to 8Mℓ /day at a cost of R5,746,954 by June 2012 (R37,000,000 for 2010 - 2012 Financial Years)			Roll-over	
INDICATOR	MEASURABLE OBJECTIVE: To upgrade the Orkney WWTP (Phase 5) to maintain the existing infrastructure						
Upgrading of the Orkney WWTP: Additional Work (Phase 5)	Upgrading of the Orkney WWTP: Additional Work as per program (maintenance) (Phase 5) to the amount of R2,899,100 by December 2010	Additional Work R1,901,100	Upgrading of the Orkney WWTP: Additional Work (maintenance on 2 pumps & 10 motors, 12 aerators and an access roads) (Phase 5) to the amount of R951,982 (Revised - CC 12/2012) by June 2012	Additional works completed R875,461 Project completed			
INDICATOR	MEASURABLE OBJECTIVE: To maintain the existing infrastructure						
Km of Orkney WWTP upgraded	Upgrading of the Orkney WWTP: 1,2km of 600mm Outfall Line (phase 4) between Leeudoringstad road & WWTP to the amount of R7,100,000 by December 2010	1,2km R3,855,399	Upgrading of the Orkney WWTP: 1,2km of 600mm Outfall Line (phase 4) between Leeudoringstad road & WWTP to the amount of R1,083,661 by March 2012	1,2Km outfall line upgraded R823,456 Project completed			




Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Sanitation							
INDICATOR	MEASURABLE OBJECTIVE: To maintain the existing infrastructure						
Km of Orkney WWTP upgraded	Upgrading of the Orkney WWTP: 1,2km of 600mm Outfall Line (phase 4) between Leeudoringstad road & WWTP to the amount of R7,100,000 by December 2010	1,2km R3,855,399	Upgrading of the Orkney WWTP: 1,2km of 600mm Outfall Line (phase 4) between Leeudoringstad road & WWTP to the amount of R1,083,661 by March 2012	1,2Km outfall line upgraded R823,456 Project completed			
INDICATOR	MEASURABLE OBJECTIVE: To upgrade the sewer pump line in Khuma (Phase2) to maintain the existing infrastructure						
Km of sewer pump line in Khuma (Phase 2) upgraded	Upgrading of 3,1km sewer pump line in Khuma (Phase 2) to the amount of R3,000,000 by December 2010	2.9 km R2,866,859	Upgrading of 3,1km sewer pump line in Khuma (Phase 2) to the amount of R577,232 (Revised - CC 12/2012) by June 2012	3,1Km sewer pump line upgraded R118,135 Project completed		Some payment done on previous vote number (MIG vote)	
INDICATOR	MEASURABLE OBJECTIVE: To eradicate the bucket system to eliminate backlogs						
Number of bucket system eradicated	Eradicating the bucket system (530 toilets) at an amount of R1,718,484 by March 2011	524 toilets R1,706,784	Eradicating the bucket system (1,061 toilets) at an amount of R200,000 (Revised - CC 12/2012) by June 2012	142 Toilets completed R165,740		Insufficient funds to eradicate all backlogs	DR KKDM will assist with funding (R500,000) for 2012/13 financial year



Chapter 3

DIRECTORATE: ELECTRICAL AND MECHANICAL ENGINEERING							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To electrify Jouberton Ext 24 to ensure a basic level of electricity						
Number of houses in Jouberton Ext 24 (Phase 2- top-up funds) electrified	Electrification of 368 houses in Jouberton Ext 24 as a cost of R3,493,561 by June 2011	363 Houses R3,493,561	Electrification of 829 houses in Jouberton Ext 24 (Phase 2- top-up funds) at a cost of R8,719,000 by June 2012	Network to connect 829 houses completed at an expenditure of R2,450,505		Contractor appointed late	643 Houses to be completed end-September 2012 and 186 houses to be completed at the end of November 2012.
INDICATOR	MEASURABLE OBJECTIVE: To install high mast lights to better service delivery						
High mast lights installed in Kanana settled (Phase 3)	Installing 26 high mast lights in Kanana (ward 24 - 7 lights; ward 25 - 4 lights; ward 26 - 4 lights; ward 27 - 3 lights; ward 28 - 4 lights & ward 29 - 4 lights) at a cost of R5,000,000 by June '11	26 High mast lights R4,374,596	Installing 4 high mast lights in Alabama ext 3 Kanana (phase 3) at a cost of R924,000 (Revised - CC 12/2012) by June 2012	4 High Mast Lights completed by June 2012		None	Completed (Saving)
High mast lights installed in Kanana (phase 4)	-	-	Installing 20 high mast lights in Kanana (phase 4) at a cost of R2,000,000 (Revised - CC 12/2012) by June 2012	Contractor busy with construction.		Delay in appointment of Contractor due to SCM Process.	Project to be completed end of August 2012.


Chapter 3

DIRECTORATE: ELECTRICAL AND MECHANICAL ENGINEERING							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To install high mast lights to better service delivery						
High mast lights installed in Khuma settled (Phase 3)	Installing 26 high mast lights in Khuma (ward 4 - 6 lights; ward 5 - 2 lights; ward 6 - 5 lights & ward 7 - 13 lights) at a cost of R5,000,000 by June 2011	26 High mast lights R4,349,331	Installing 4 high mast lights in Tigane Khuma (phase 3) at a cost of R947,000 (Revised - CC 12/2012) by June 2012	Project Completed			
INDICATOR	MEASURABLE OBJECTIVE: To install high mast lights to better service delivery						
High mast lights installed Jouberton extension 24	-	-	Installing 10 high mast lights in Jouberton extension 24 at a cost of R1,000,000 (Revised - CC 12/2012) by June 2012	Contractor on site.		Pro Delay in appointment of Contractor due to SCM Process.	Project to be completed end August 2012.
INDICATOR	MEASURABLE OBJECTIVE: To upgrade Mechanical and Electrical Equipment & Pump stations to ensure the maintenance of the existing infrastructure						
Number of mechanical and electrical equipment and pump stations in the KOSH area upgraded	Upgrading of the mechanical and electrical equipment and pump stations (phase 1) to the amount of R975,650 by May 2011	None R0.00	Upgrading of 6 mechanical and electrical equipment and pump stations (phase 2) (Volume 3) at Mines Road and Mooi Street - Stilfontein; Ellaton, Brooks Street -	Project 95 % completed R10,358,150		Waiting for delivery of motors	Project to be completed in September 2012


Chapter 3

DIRECTORATE: ELECTRICAL AND MECHANICAL ENGINEERING							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
			Orkney; Rietkuil pump station - Jouberton and Linda pump station - Hartbeesfontein to the amount of R13,500,000 by May 2012				
DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Libraries							
INDICATOR	MEASURABLE OBJECTIVE: To address shortcomings by improve library services and maintenance						
Shortcomings at various libraries addressed according to the approved project business plan		-	Addressing shortcomings at various libraries according to the approved project business plan at a cost of R400,000 by June 2012	Shortcomings addressed R212,586 Project completed			
INDICATOR	MEASURABLE OBJECTIVE: To provide a library service in Khuma to improve service and quality of life						
m ² community library in Khuma Ext 8 built	Building a 681,39m ² community library in Khuma Ext 8 at a cost of R4,000,000 by June 2011	Not yet R0.00	Building a 681,39m ² community library in Khuma Ext 8 at a cost of R4,000,000 by May 2012	681,39m ² Library completed R3,435,104			




Chapter 3

DIRECTORATE: MARCO CITY PLANNING AND DEVELOPMENT							
IDP Grant Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To conduct township regeneration studies to enhance job creation						
Number of feasibility and viability studies conducted for economic analysis	-	-	Conducting 5 feasibility and viability studies for economic analysis in Jouberton, Alabama, Kanana, Khuma and Tigane at a cost of R3,000,000 by June 2012	Feasibility and viability studies approved by Council (NDP Grant)			




3.2 COUNCIL FUNDED PROJECTS

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Council Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Roads							
INDICATOR	MEASURABLE OBJECTIVE: To construct roads to maintain current infrastructure and access to the community						
Km of Mokatatsie Street constructed	Constructing of Mokatatsie Street at a cost of R1,146,585 by June 2011 - Adjustment Budget R346,585 CC17/2011	None R0.00	Constructing of Mokatatsie Street at a cost of R304,612 by June 2012	Mokatatsie Street constructed R209,797 Project completed			



Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Council Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Roads							
INDICATOR	MEASURABLE OBJECTIVE: To reseal roads to maintain the existing road infrastructure						
To reseal roads in the KOSH area to maintain the existing road infrastructure	Resealing of 15 km roads in the KOSH at a cost of R12,500,000 by March 2011	15 Km R8,384,388	Resealing of 5 km roads in the KOSH at a cost of R4,115,610 by March 2012	Contractor on Site		Delay was attributed to cash flow problem	Council's financial situation to be reviewed
INDICATOR	MEASURABLE OBJECTIVE: To rehabilitate old landfill sites to ensure a safer environment						
Old landfill sites rehabilitated (investigations by professional service providers)	Rehabilitating of old landfill sites at Stilfontein, Klerksdorp and Orkney (investigations by professional service providers) at a cost of R1,399,043 by June 2012	None R0.00	Rehabilitating of old landfill sites at Stilfontein, Klerksdorp & Orkney (investigations by professional service providers) at a cost of R1,399,043 by June 2012	Contractor appointed R148,990		Awaiting approval from province	Obtain approval from province and make available budget for construction
Water							
INDICATOR	MEASURABLE OBJECTIVE: To supply water from Dawkinsville reservoir to Goudkoppie (N12) to improve the basic water service						
Supplying water from Dawkinsville reservoir and the installing bulk line services (± 4,5 km) to Goudkoppie (N12 East areas)(Phase 1)	Supplying water from MIDVAAL reservoir to Dawkinsville reservoir and the installing bulk line services (±4,5km) at Goudkoppie (N12 East areas) at a cost of R4,500,000 by June 2011	0.8 Km R315,000	Supplying water from Dawkinsville reservoir and the installing bulk line services (± 4,5 km) to Goudkoppie (N12 East areas)(Phase 1) at a cost of R4,223,670 by June 2012	Construction stage R4,009,248		Construction stage to be completed on 31 August 2012	Speed up the process


Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
IDP Council Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Sanitation							
INDICATOR	MEASURABLE OBJECTIVE: To upgrade the sewer network in Hartbeesfontein (Phase 2) to ensure a better service delivery						
Number of septic tanks eradicated and km of water borne sewer network installed at Hartbeesfontein (Phase 2)	170 Sewer network connections installed in Hartbeesfontein WWTP (Phase 2) at a cost of R2,000,000 by March 2011	170 Connections R2,943,176	Eradicating 192 septic tanks / stands to install 1.78km water borne sewer network at the Hartbeesfontein (Phase 2) at a cost of R1,602,725 by March 2012	192 Septic tanks / stands eradicated & 1.78 km sewer networks installed R874,269 Project completed		Total amount paid from City of Matlosana's budget.	
DIRECTORATE: ELECTRICAL AND MECHANICAL ENGINEERING							
INDICATOR	MEASURABLE OBJECTIVE: To electrify Jouberton Ext 24 to ensure a basic level of electricity						
Number of houses in Jouberton Ext 24 (Phase 2- top-up funds) electrified	Electrification of 368 houses in Jouberton Ext 24 (Phase 2- top-up funds) at a cost of R2,600,000 by June 2011	368 Houses R2,341,115	Electrification of 363 houses in Jouberton Ext 24 (Phase 2- top-up funds) at a cost of R3,800,000 by June 2012	11kv Network to connect 368 houses completed at an expenditure of R2,450,505		Contractor appointed late	368 Houses to be completed end-November 2012.
INDICATOR	MEASURABLE OBJECTIVE: To upgrade the 11Kv Distribution Network to meet electricity demands						
11Kv distribution network in KOSH area upgraded	-	-	Upgrading of the 11Kv distribution network in the KOSH area at a cost of R1,766,708 by June 2012	None R0.00		Project cancelled due to financial constraints	Council's financial situation to be reviewed

Chapter 3

DIRECTORATE: ELECTRICAL AND MECHANICAL ENGINEERING							
IDP Council Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To upgrade the 11Kv Distribution Network to meet electricity demands						
11Kv distribution network in KOSH area upgraded	Upgrading of the 9 x 11Kv distribution network in Stilfontein substation 6, Uraniaville main substation, Munc substation, SPCA substation, CV City substation, Ventersdorp Road, Uitkomsdal, Russell Street RMU & Hartebeestfontein at a cost of R3,500,000 by March 2011	Not yet R3,305,750	Upgrading of the 11Kv distribution network in the KOSH area at a cost of R2,000,000 by June 2012	None R0.00		Project cancelled due to financial constraints	Council's financial situation to be reviewed
DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Parks							
INDICATOR	MEASURABLE OBJECTIVE: To build and equip an environmental education centre at Faan Meintjes to ensure capacity building in the community						
Environmental educational centre at Faan Meintjes Nature Reserve (additional funding) Built and equipped	Building and equipping an environmental educational centre at Faan Meintjes Nature Reserve (additional funding) at a cost of R6,500,000 by February 2011	Project 80% completed R4,134,847	Building and equipping an environmental educational centre at Faan Meintjes Nature Reserve (additional funding) at a cost of R2,321,740 by June 2012	Environmental educational centre built R1,976,642		Could not equip the centre due to financial constraints	Additional funds available to complete equipping phase in new financial year




Chapter 3

DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
IDP Council Funded	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Libraries							
INDICATOR	MEASURABLE OBJECTIVE: To provide an equipped library in Tigane to improve service and quality of life						
Erected community library in Tigane Extension 3 equipped as per programme	Building of 798,779m² library in Tigane Extension 3 at a cost of R4,497,890 by June 2011	Project 80% completed R3,553,024	Equipping the erected 798,779m² library in Tigane Extension 3, as per program, at a cost of R1,400,000 (Revised - CC 07/2012) by June 2012	Tigane library partially equipped as per programme R368,525		The time to spend the funds, from approval of adjustment budget in March 2012 until end of financial year, was too short to complete all projects and purchases	Remainder of equipment to be delivered in the new financial year




4

Capital Projects




Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Roads							
INDICATOR	MEASURABLE OBJECTIVE: To reseal roads to maintain the existing road infrastructure						
Km roads resealed in the KOSH area - as per programme	New project	-	Resealing of 10 km roads in the KOSH at a cost of R10,000,000 by December 2011	Contractor on site R0.00		Cash flow restriction	Council's financial situation to be reviewed
INDICATOR	MEASURABLE OBJECTIVE: To kerb streets in order to control storm water						
Km of various streets kerbed in the KOSH area – as per programme	New project	-	Kerbing 1 km of various streets as per program in the KOSH area at a cost of R300,000 by December 2011	None R0.00		Capital project put on hold due to financial constraints	Council's financial situation to be reviewed
INDICATOR	MEASURABLE OBJECTIVE: To settle consultant fees for the upgrading of the ITP						
Consultant fees for ITP settled	Developing an Integrated Transport Plan at a cost of R700,000 by June 2011 - CC 129/2010 dated 26 October 2010	None R0.00	Settling consultant fees for the upgrading of the Integrated Transport Plan (ITP) at a cost of R250,000 by March 2012	None R0.00		Capital project put on hold due to financial constraints	Council's financial situation to be reviewed



Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Water							
INDICATOR	MEASURABLE OBJECTIVE: To replace bulk water meters to ensure accurate meter reading						
Number of bulk water meters replaced in the KOSH area	New project	-	Replacing a minimum of 500 bulk water meters greater than 50mm in the KOSH area at a cost of R1,000,000 by June 2012	None R0.00		Capital project put on hold due to financial constraints	The project will commence in the 2012/13 financial year with cash back funds
Number of bulk water meters replaced in the KOSH area	Replacing a minimum of 660 water meters as per program in the KOSH area at a cost of R1,000,000 by June 2011	660 Meters replaced R984,340	Replacing a minimum of 1,000 bulk water meters greater than 50mm in the KOSH area at a cost of R2,000,000 by June 2012	1,000 bulk meters replaced R1,860,552 Project completed			
INDICATOR	MEASURABLE OBJECTIVE: To refurbish valves and networks to ensure effective and continuous water supply						
Water valves and network refurbished in the KOSH area	Refurbishing a minimum of 40 valves in the KOSH area as per program at a cost of R1,500,000 by June 2011	28 Valves R381,553	Refurbishing a minimum of 50 water valves and 2,5 km water network in the KOSH area at a cost of R1,200,000 by June 2012	1,600m network constructed & 30 valves installed R1,052,632 Project 87% completed		Shortfall in finances	The remaining 13% of the completion will be rolled-over to the 2012/13 financial year




Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Water							
INDICATOR	MEASURABLE OBJECTIVE: To refurbish networks to ensure effective and continuous water supply						
Water network refurbished in the KOSH area	Refurbishing a minimum of 3,5km water network in the KOSH area at a cost of R3,000,000 by June 2011	1.5 Km R1,285,875	Refurbishing a minimum of 2,8 km water network in the KOSH area at a cost of R1,714,125 by June 2012	2,8 Km network constructed R1,343,970		Project 78% completed. Shortfall in finances	The remaining 22% of the completion will be rolled-over to the 2012/13 financial year
INDICATOR	MEASURABLE OBJECTIVE: To upgrade a worn-out water-network in CBD (Phase 1) to maintain the current infrastructure						
Worn-out water-network in the CBD (Phase 1) upgraded	Upgrading the worn-out water-network in the CBD (Phase 1) at a cost of R3,082,791 by March 2011	R1,393,561 as per programme	Upgrading of 2,5 Km worn-out water-network in the CBD (Phase 1) at a cost of R1,689,230 by March 2012	None R0.00		Capital project put on hold due to financial constraints	Roll-over requested. The project will commence in the 2012/13 financial year
INDICATOR	MEASURABLE OBJECTIVE: To refurbish valves to ensure complete isolation on water networks						
Minimum number of valves in the KOSH area replaced	New project	-	Replacing a minimum of 16 valves in the KOSH area at a cost of R1,118,440 by December 2011	16 Valves purchased & installed R1,101,572			



Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Water							
INDICATOR	MEASURABLE OBJECTIVE: To replace water meters to improve revenue management						
Minimum number of water meters / valves (tools) in the KOSH area	Replacing a minimum of 1,500 water meters / valves (tools) in the KOSH area at a cost of R3,641,574 by June 2011	6,000 water meters / valves replaced R2,856,380	Replacing a minimum of 1,500 water meters / valves (tools) in the KOSH area at a cost of R389,320 by December 2011	450 meters replaced R57,250		Capital project put on hold due to financial constraints	Roll-over requested. The project will commence in the 2012/13 financial year
Sanitation							
INDICATOR	MEASURABLE OBJECTIVE: To replace the mechanical and electrical equipment & pump stations to maintain the existing infrastructure						
Mechanical and electrical equipment and pump stations at Republic Park and Khuma main replaced	Upgrading of the mechanical and electrical equipment and pump stations (phase 1) to the amount of R975,650 by May 2011	None R0.00	Replacing of mechanical and electrical equipment (2 mechanical screens) and 2 screw pumps at the pump-stations at Republic Park and Khuma main to the amount of R624,845 by December 2011	None R0.00		Capital project put on hold due to financial constraints	Project to be deferred and minor repair works be done through available maintenance budget.



Chapter 3

DIRECTORATE: ELECTRICAL AND MECHANICAL ENGINEERING							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To complete the new room built for standby personnel to ensure better service delivery						
Existing building for standby personnel extended	New project	-	Completing the existing building (74m² new room with a 12m² covered stoop and 8m² screen wall) for standby personnel at Klerksdorp electrical department (phase 2) at a cost of R100,000 by December 2011	None R0.00		Capital project put on hold due to financial constraints	Council's financial situation to be reviewed
INDICATOR	MEASURABLE OBJECTIVE: To purchase a cable gun to ensure proper location of cable faults						
Cable gun purchased	New project	-	Purchasing 1 cable gun at a cost of R200,000 by December 2011	None R0.00		Capital project put on hold due to financial constraints	Council's financial situation to be reviewed
INDICATOR	MEASURABLE OBJECTIVE: To purchase high voltage equipment to ensure a safer network						
High voltage equipment purchased	New project	-	Purchasing high voltage equipment (6 switching suits & 6 testing equipment) at a cost of R100,000 by December 2011	None R0.00		Capital project put on hold due to financial constraints	Council's financial situation to be reviewed




Chapter 3

DIRECTORATE: ELECTRICAL AND MECHANICAL ENGINEERING							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To purchase vehicles and plant to better service delivery						
Number of vehicles and plant purchased	Purchasing of 30 vehicles and 4 motor cycles for the council at a cost of R13,120,000 by March 2011 - Adjustment Budget R12,830,000 CC17/2011	Not yet R10,711,280	Purchasing of 22 vehicles, 13 trucks, 5 plant & machinery equipment and a vehicle tracking pilot project (as per page 208 of approved 2011/12 budget) 3 Refuse compaction trucks & 1 x 22 seater bus for Municipal & Environmental Services for the council at a cost of R5,600,000 (Revised - CC 03/2012) by June 2012	3 Trucks purchased R3,853,642		Bus cancelled due to financial constraints	Council's financial situation to be reviewed
INDICATOR	MEASURABLE OBJECTIVE: To purchase vehicles and plant to better service delivery						
Number of vehicles and plant purchased	Purchasing of 4 vehicles for the council at a cost of R4,211,612 by March 2011 - Roll-Over	Not yet R1,021,912	Purchasing of 7 vehicles for the council at a cost of R2,920,000 (Revised - CC 07/2012) by March 2012	7 Vehicles purchased R2,917,880 Project completed			




Chapter 3

DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Parks							
INDICATOR	MEASURABLE OBJECTIVE: To purchase grass cutting equipment to meet the increasing demand						
Number of grass cutting equipment for parks in the KOSH area purchased – as per programme	New project	-	Purchasing grass cutting equipment (4 chainsaws, 3 blower mowers, 5 Stihl blowers, 6 Stihl chainsaws, 15 Stihl brush cutter and 15 knapsack sprayers) for the parks in the KOSH area at a cost of R200,000 by March 2012	4 Chainsaws, 3 Pole Pruners and 8 Knapsack sprayers purchased R58,927		3 Blower mowers, 5 Stihl blowers, 6 Stihl chainsaws, 15 Stihl brush cutter and 7 Knapsack sprayers)not to purchased due to delay in SCM process	Due to financial constraints, the money will be used as a saving
Refuse Removal							
INDICATOR	MEASURABLE OBJECTIVE: To purchase mass containers to enhance efficiency and replace old / broken containers						
Number plastic containers (85ℓ) for the KOSH area purchased	Purchasing 1,423 (additional 800) x 85ℓ plastic refuse containers by June 2011 - Adjustment Budget R300,000 CC17/2011	1,423 x 85ℓ Plastic refuse containers purchased R19,000	Purchasing 1,000 2,400 plastic containers (85ℓ) for the KOSH area at a cost of R471,007 + R150,000 (Revised - CC 03/2012) by June 2012	2,400 containers was purchased R0.00		Only 2,200 containers were delivered, 200 containers still short, awaiting delivery	Finalize payment on delivery of outstanding 200 containers




Chapter 3

DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
<i>Sport and Recreation</i>							
INDICATOR	MEASURABLE OBJECTIVE: To upgrade Council sport facilities to maintain aging infrastructure						
Council's sport stadiums upgraded – as per programme	Refurbishing 20 sports facilities in the KOSH area according to program at a cost of R4,000,000 by June 2011	20 sports facilities refurbished R3,729,573	Upgrading of Council's sport stadiums as per program at cost of R2,000,000 (Revised - CC 03/2012) by June 2012	80% of project completed R1,595,000		Capital project put on hold due to financial constraints	Council's financial situation to be reviewed
Oppenheimer stadium upgraded – as per programme	New project	-	Upgrading of Oppenheimer stadium as per program at cost of R1,350,000 (Revised - CC 03/2012) by June 2012	18% of project completed R250,000		Capital project put on hold due to financial constraints	Council's financial situation to be reviewed
<i>Licensing</i>							
INDICATOR	MEASURABLE OBJECTIVE: To refurbish the Orkney license offices to improve aging infrastructure and better service delivery						
Orkney learners license hall and vehicle turning radius refurbished – as per programme	New project	-	Refurbishing the Orkney learners license hall and vehicle turning radius at a cost of R200,000 by March 2012	Hall painted, front door replaced, ceiling repaired R118,661		All projects were stopped due to financial constraints	Roll-over be arranged to finalize floor and aircon required.




Chapter 3

DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Licensing							
INDICATOR	MEASURABLE OBJECTIVE: To refurbish the Orkney license offices to improve aging infrastructure and better service delivery						
Live scan office and waiting room refurbished	New project	-	Refurbishing the live scan office and waiting room in the Orkney drivers section at a cost of R60,000 by December 2011	Waiting room completed, benches installed, walls painted R17,253		All projects were stopped due to financial constraints	Roll-over be arranged to finalize floor and aircon required.
Reception area in the Orkney licensing section refurbished – as per programme	New project	-	Refurbishing the reception area in the Orkney licensing section at a cost of R100,000 by March 2012	Orders issued - work in progress R42,604		Delay due to cheque requests not finalized/signed	Roll-over be arranged to finalize project
INDICATOR	MEASURABLE OBJECTIVE: To replace the eye test apparatus to improve aging infrastructure and better service delivery						
Eye testing apparatus replaced	New project	-	Replacing 1 broken eye testing apparatus at the Stilfontein licensing offices at a cost of R32,000 by September 2011	Eye testing apparatus replaced R30,210			




Chapter 3

DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Licensing							
INDICATOR	MEASURABLE OBJECTIVE: To purchase and install load axle mass to comply with legislation						
Load axle mass purchased and installed	New project	-	Purchasing and installing 1 load axle mass for the Klerksdorp vehicle testing stations at a cost of R200,000 by December 2011	None R0.00		Capital project put on hold due to financial constraints	Council's financial situation to be reviewed
DIRECTORATE: FINANCIAL SERVICES							
INDICATOR	MEASURABLE OBJECTIVE: To purchase and install an additional Pre-paid Management Server to increase the current capacity						
Additional pre-paid management server in the ICT section purchased and installed	Purchasing and installation of 1 pre-paid management server at a cost of R110,000 by March 2011	1 Pre-paid management server purchased and installed R85,033	Installation of an AD server and anti-virus software in the ICT section at a cost of R275,000 (Revised - CC 07/2012) by June 2012	Server purchased R55,569 Project completed			
Number of computers appliances purchased and installed	Installing computer replacement programme at a cost of R500,000 by December 2010	Computer replacement programme R411,202	Replacing and installing 14 computer appliances through the replacement programme of Council at a cost of R150,000 (Revised - CC 07/2012) by June 2012	8 computers purchased. 5 Printers, 1 iPad, 4 Laptop. R87,384 Project completed		Number of computers appliances purchased and installed	

Chapter 3

DIRECTORATE: FINANCIAL SERVICES							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To plan and install an information security architecture to protect council data						
Information security architecture platform (phase 1) planned and installed	New project	-	Planning and installing an information security architecture platform (phase 1) in the ICT section for council a cost of R140,000 by June 2012	Annual license fee of ISA paid R25, 964		Capital project put on hold due to financial constraints	Council's financial situation to be reviewed
DIRECTORATE: CORPORATE SERVICES							
INDICATOR	MEASURABLE OBJECTIVE: To fence the Tshepo Thamba crèche to enhance safety of the premises						
Tshepo Thamba crèche fenced with palisades	New project	-	73m Palisade fencing of Tshepo Thamba crèche at a cost of R250,000 by June 2012	73m Palisade fencing completed R93,100 Project completed			
DIRECTORATE: MACRO CITY PLANNING AND DEVELOPMENT							
INDICATOR	MEASURABLE OBJECTIVE: To evaporator towers to ensure efficient service delivery to producers						
Number of evaporator towers replaced	Replacing 2 evaporator towers at a cost of R200,000 by December 2010 - Adjustment Budget R170,000 CC17/2011	2 Evaporator towers replaced R166,667	Replacing 3 evaporator towers (Rooms 8 & 10 and small cold room) at a cost of R200,000 by December 2011	Not yet R0.00		Quotations close on the 26th of June 2012	Item written to Council to request transfer

Chapter 3

DIRECTORATE: MACRO CITY PLANNING AND DEVELOPMENT							
Capital Projects	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To upgrade the Freshmark System to ensure improved service delivery						
Freshmark System (till system) upgraded	New project	-	Upgraded Freshmark System (till system) at a cost of R180,000 by March 2012	Not yet R0.00		Quotations close on the 26th of June 2012	Item written to Council to request transfer
Freshmark System (till system) upgraded	Upgraded Freshmark System (till system) at a cost of R100,000 by March 2011	Not yet R0.00	Upgraded Freshmark System (till system) at a cost of R100,000 by September 2011	System purchased R98,094 Project completed			
INDICATOR	MEASURABLE OBJECTIVE: To upgrade the cctv system to enhance safety and security for all producers and consumers						
CCTV system upgraded and cameras replaced	New project	-	Upgrading of the CCTV system and replacing 19 cameras on the market floor at a cost of R100,000 by September 2011	Not yet R0.00		Invoices still with SCM	Item written to Council to request transfer





Chapter 3

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Operational

Chapter 3




KEY PERFORMANCE AREA 1: Basic Service Delivery & Infrastructure Development

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Roads							
INDICATOR	MEASURABLE OBJECTIVE: To clean reservoirs to comply with legislation						
Number of reservoirs cleaned	Cleaning 15 km of main sewers in the KOSH area as per program by June 2011	18 Reservoirs cleaned	Cleaning 39 reservoirs in the KOSH by June 2012	39 Reservoirs cleaned			
Water							
INDICATOR	MEASURABLE OBJECTIVE: To revise water related policy to comply with legislation						
Water Management Policy revised	-	-	Revising the Water Management Policy by March 2012	Progress Report to Council		Part of process to review all Council policies was hold back to be able to deal with all policies	Process to commence in 2012/13 financial year
INDICATOR	MEASURABLE OBJECTIVE: To obtain Blue Drop status to improve water quality and water management						
A minimum standard of 95% Blue Drop status obtained	Obtaining a minimum standard of 95% Blue Drop status by December 2010	Blue Drop status obtained	Obtaining a minimum standard of 95% Blue Drop status by December 2011	Blue Drop status obtained			
Sanitation							
INDICATOR	MEASURABLE OBJECTIVE: To maintain main sewer to ensure maintenance of main sewers throughout the year						
Km of main sewers cleaned	Cleaning 15 km of main sewers in the KOSH area as per program by June 2011	15 Km	Cleaning 20 km of main sewers as per program in the KOSH area by June 2012	15.98 Km		Cash flow restriction	Priorities problematic sewer lines, thus reducing scope





Chapter 3

DIRECTORATE: CIVIL SERVICES & HUMAN SETTLEMENTS							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Town-Planning and Building Control							
INDICATOR	MEASURABLE OBJECTIVE: To approve building plans to comply with legislation						
Number of building plans approved	Approving 700 building plans in terms of the N B Regulations by June 2011	1,130 Building Plans approved	Approving 800 building plans in terms of the National Building Regulations by June 2012	1,203 Building Plans approved		More building plans received than anticipated	Targets to be revised
INDICATOR	MEASURABLE OBJECTIVE: To approve building plans to comply with legislation						
Number of building plan applications received	Receiving 450 building plan applications for residential additions by June 2011	736 Building Plans received	Receiving 450 building plan applications for residential additions by June 2012	1,232 Building Plans received		More building plans received than anticipated	Targets to be revised
Human Settlement							
INDICATOR	MEASURABLE OBJECTIVE: To registered and deregistered Title Deeds to ensure secure tenure and ownership of houses						
Number of Title Deeds of pre 1994 old stock houses transferred through the Deeds Office to the beneficiaries	Transferring 2,900 Title Deeds of pre 1994 old stock houses through the Deeds Office to the beneficiaries at a cost of R500,000 by June 2011	114 Title Deeds lodged R30,326.40	Transferring 1,900 Title Deeds of pre 1994 old stock houses through the Deeds Office to the beneficiaries at a cost of R500,000 by June 2012	772 Title Deeds lodged R0.00		Directive from Council to reduce expenditure	Receive all the remaining Title Deeds by end of July 2012 and arrange payment
De-registering of Title Deeds	De-registering at a cost of R500,000 by June 2011	R0.00	De-registering of Title Deeds at a cost of R224,000 (Revised - CC 07/2012) by June 2012	R0.00		Awaiting guidelines from the Province to implement the project	Liaise with Province on a regular basis



Chapter 3

DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Parks							
INDICATOR	MEASURABLE OBJECTIVE: To manage the airport effectively to comply with legislation						
Annual airport license renewed	Renewing the annual PC Pelser Airport license to obtain authority to operate an airport at a cost of R4,611 by June 2011	Annual airport license renewed R 3,720	Renewing the annual PC Pelser Airport license to obtain authority to operate an airport at a cost of R4,611 by June 2012	Annual airport license renewed R 3,720			
INDICATOR	MEASURABLE OBJECTIVE: To manage the airport effectively to comply with legislation						
Number of inspections conducted at airport	Conducting 4 inspections at airport by June 2011	4 Inspections	Conducting 4 inspections at PC Pelser Airport to ensure aviation safety by June 2012	4 Inspections			
Environmental Management							
INDICATOR	MEASURABLE OBJECTIVE: To appoint environmental management officials to comply with legislation and to enhance sustainable environmental development						
Number of officials in the environmental management section appointed	-	-	Appointing 11 officials in the environmental management section by December 2011	No officials appointed		Moratorium from Council on all vacant positions	To motivate the filling of the positions in the next financial year



Chapter 3

DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Libraries							
INDICATOR	MEASURABLE OBJECTIVE: To present awareness programmes to promote library awareness amongst adults, learners and youth						
Number of awareness programmes presented at all KOSH libraries	Presenting 50 awareness programmes at all KOSH libraries by June 2011	154 Awareness programmes	Presenting 50 awareness programmes at all KOSH libraries by June 2011	173 Awareness programmes			
INDICATOR	MEASURABLE OBJECTIVE: To present awareness programmes to promote library awareness amongst adults, learners and youth						
Number of awareness programmes presented at schools in the KOSH area	Presenting 8 awareness programmes at schools in the KOSH area by June 2011	8 Awareness programmes	Presenting 8 awareness programmes at schools in the KOSH area by June 2012	16 Awareness programmes			
Number of library interest events presented	Presenting 8 library interest events in the KOSH area by June 2011	15 Library interest events	Presenting 8 library interest events in the KOSH area by June 2012	14 Library interest events			
Museum							
INDICATOR	MEASURABLE OBJECTIVE: To provide an educational services to ensure community participation, empower unemployed youth, women and disabled persons and to capacitate learners						
Number of consultation sessions convened	Convening 44 consultation sessions with teachers & delegates from the Department of Education by June 2011	59 Consultation sessions	Convening 44 consultation sessions with formal and informal educators to create heritage awareness and disseminate educational content by June 2012	104 Consultation sessions			




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DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Museum							
INDICATOR	MEASURABLE OBJECTIVE: To provide an educational services to ensure community participation, empower unemployed youth, women and disabled persons and to capacitate learners						
Number of lifelong skills development programs presented	Presenting 30 lifelong skills development programs by June 2011	34 Programmes	Presenting 30 lifelong skills development programs to unemployed women, youth and physical disadvantage persons to empower them to develop entrepreneurial skills by June 2012	31 Programmes			
INDICATOR	MEASURABLE OBJECTIVE: To provide an educational services to ensure community participation, empower unemployed youth, women and disabled persons and to capacitate learners						
Number of educational programs presented	Presenting 60 educational programs by June 2011	61 Programmes	Presenting 60 educational programs to learners and adults to expand their knowledge of SA history and cultural heritage in general and that of KOSH in particular by June 2012	91 Programmes			



Chapter 3

DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Museum							
INDICATOR	MEASURABLE OBJECTIVE: To manage heritage resources by promoting heritage awareness						
Number of heritage awareness projects convened	Convening 8 heritage awareness projects by June 2011	9 Projects	Convening 8 heritage awareness projects to disseminate knowledge regarding heritage conservation and promote cultural heritage and national unity by June 2012	8 Projects			
INDICATOR	MEASURABLE OBJECTIVE: To draft a museum policy to obtain a mandate from Council to ensure sound ethical museum practices						
Museum policy drafted	-	-	Drafting a museum policy to ensure sound ethical museum practices as guided by principles of the international council of museums and the SA Museum Association Code of Ethics by June 2012	Policy drafted		Part of process to review all Council policies was hold back to be able to deal with all policies	Process to commence during 2012/13 financial year

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DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
<i>Sport and Recreation</i>							
INDICATOR	MEASURABLE OBJECTIVE: To ensure sound sport administration						
Number of sport council meetings held	Conducting 6 sport council meetings to ensure the smooth running of sport clubs by June 2011	6 Meetings	Conducting 6 sport council meetings to ensure the smooth running of sport clubs by June 2012	7 Meetings			
INDICATOR	MEASURABLE OBJECTIVE: To regulate the usage of Council facilities by sport clubs						
Number of lease contracts renewed	-	-	Renewing 38 lease contracts with various sport clubs using Council facilities by June 2012	38 Contracts renewed			
<i>Health (Clinics)</i>							
INDICATOR	MEASURABLE OBJECTIVE: To promote health status						
Number of health awareness campaigns conducted for Council employees	Conducting 8 health awareness campaigns for Council employees by June 2012	8 Health awareness campaigns	Conducting 8 health awareness campaigns for Council employees by June 2012	8 Health awareness campaigns			

Chapter 3



DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
Fire and Disaster Management							
INDICATOR	MEASURABLE OBJECTIVE: To adhere to Fire Codes and Regulations and comply with fire codes (SANS) and regulations						
Number of fire inspections conducted	Conducting 600 fire inspections by June 2011	1,304 Fire inspections	Conducting 800 general fire inspections in the KOSH area by June 2012	1, 858 Inspections		A direct instruction from the Executive Mayor to increase law enforcement and general visibility in the City of Matlosana jurisdiction	
INDICATOR	MEASURABLE OBJECTIVE: To promote fire safety						
Number of ward sessions conducted	Conducting 12 ward sessions by June 2011	10 Ward sessions	Conducting 12 fire prevention information sessions in identified wards by June 2012	17 Ward sessions		A direct instruction from the Executive Mayor to increase law enforcement and general visibility in the City of Matlosana jurisdiction	

Chapter 3


KEY PERFORMANCE AREA 2: Local Economic Development

DIRECTORATE: MACRO CITY PLANNING AND DEVELOPMENT							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To implement the CWP in all wards to comply with legislation						
CWP implemented in number of wards	-	-	30 wards per municipality implementing the CWP by June 2012	None		All Council funded projects suspended	To combine with the implementation of CWP's in the new financial year
INDICATOR	MEASURABLE OBJECTIVE: To implement cooperatives in all wards to comply with legislation						
Number of cooperatives established and functional	-	-	30 Cooperatives established and still functional in wards where the CWP is implemented by June 2012	30 Cooperatives established			
INDICATOR	MEASURABLE OBJECTIVE: To revise the LED strategy to comply with legislation						
LED Strategy revised	-	-	LED Strategy revised by March 2012	None		Awaiting date for the workshop from the Corporate Services	Workshop with councillors to be conducted on 13 September 2012
INDICATOR	MEASURABLE OBJECTIVE: To conduct consultations meeting to assist SMME's						
Number of LED consultation meetings conducted with stakeholders	Conducting 12 LED consultation meetings with stakeholders by June 2011	17 LED consultation meetings	Conducting 12 LED consultation meetings with stakeholders by June 2012	12 Meetings			




Chapter 3

DIRECTORATE: MACRO CITY PLANNING AND DEVELOPMENT							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To conduct workshops to assist SMME's						
Number of SMME workshops conducted to capacitate SMME's	Conducting 4 SMME workshops to capacitate SMME's by June 2011	9 SMME workshops	Conducting 4 SMME workshops to capacitate SMME's by June 2012	11 SMME workshops		Closer corporation with SEDA	
INDICATOR	MEASURABLE OBJECTIVE: To do city marketing to promote the city						
R value spent on marketing activities	Spending R4,298,000 on marketing by June 2011	R 3,052,320	Spending R2,066,028 on marketing Revised - CC 07/2012) by June 2012	R 904,184		Directive received from Council to reduce expenditure of Council funded	Implement strategy to improve revenue




KEY PERFORMANCE AREA 3: Municipal Institutional Development and Transformation

DIRECTORATE: STRATEGIC PLANNING, MONITORING AND CONTROL							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To approve the draft SDBIP to comply with legislation						
Draft 2012/13 SDBIP approved by Council	Approving draft 2011/12 SDBIP by Council by May 2012	Draft 2011/12 SDBIP approved. CC 35/2011 dated 29 April 2011	Approving draft 2012/13 SDBIP by Council by May 2012	Draft 2012/13 SDBIP approved. CC 49/2012 dated 29 May 2012			





Chapter 3

DIRECTORATE: STRATEGIC PLANNING, MONITORING AND CONTROL							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To approve the Annual Performance Report to comply with section 46 of the MSA						
2010/11 Annual Performance Report approved by Municipal Manager	Approving an 2009/10 Annual Performance Report by Municipal Manager by August 2010	2009/10 Annual Performance Report approved by MM on 29 August 2011	Approving an 2010/11 Annual Performance Report by Municipal Manager by August 2011	2010/11 Annual Performance Report approved MM on 30 Aug 2011 and submitted to AG on 31 August 2011			
INDICATOR	MEASURABLE OBJECTIVE: To approve the Mid-Year Assessment Report to comply with section 72 of the MFMA						
2011/12 Mid-Year Assessment Report approved by the Executive Mayor	Approving the 2010/11 Mid-Year Assessment Report by the Executive Mayor by 25 January 2011	2010/11 Mid-Year Assessment Report approved (CC 7/2011 dated 31 January 2011)	Approving the 2011/12 Mid-Year Assessment Report by the Executive Mayor by 25 January 2012	2011/12 Mid-Year Assessment Report approved by the Executive Mayor on 25 January 2012 - CC 03/2012 dated 31 January 2012			
INDICATOR	MEASURABLE OBJECTIVE: To continue with Professional Development to enhance knowledge, skills and other competencies of Internal Audit staff						
2012/13 CPD program developed for approval by Skills Development Officer	Developing a CPD program for approval by Skills Development Officer	CDP approved	Develop the 2012/13 CPD program for approval by Skills Development Officer by June 2012	CDP approved			





Chapter 3

DIRECTORATE: STRATEGIC PLANNING, MONITORING AND CONTROL							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To conduct quality assurance improvement programme to comply with legislative requirements						
Number peer-to-peer quality assurance and improvement programme performed	-	-	Performing 1 peer-to-peer quality assurance and improvement programme by March 2012	1 Assessment report performed			
DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
INDICATOR	MEASURABLE OBJECTIVE: To promote road safety						
Number of (K78) multi road blocks	Conducting 12 (K78) multi road blocks by June 2011	12 (K78) Multi road blocks	Conducting 12 (K78) multi road blocks with all law enforcement agencies in the KOSH by June 2012	13 (K78) Multi road blocks			
Number of school campaigns conducted	Conducting 20 school campaigns by June 2011	36 School campaigns	Conducting 10 traffic and road safety campaigns at KOSH schools at a cost of R109,600 (Revised - CC 07/2012) by June 2012	34 School campaigns			



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DIRECTORATE: FINANCIAL SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To implement Internal Co-operation and Controls to ensure compliance with legislation						
Number of meetings of the Specification Committee conducted	Conducting at least 12 meetings of the Specification Committee by June 2011	9 Meetings	Conducting at least 12 meetings of the Specification Committee by June 2012	9 Meetings		No meetings could take place during 3rd quarter and no tenders could be considered, due to the financial position of Council	Speed up the process in next financial year
Number of meetings of the Evaluation Committee conducted	Conducting at least 12 meetings of the Evaluation Committee by June 2011	28 Meetings	Conducting at least 12 meetings of the Evaluation Committee by June 2012	14 Meetings			
INDICATOR	MEASURABLE OBJECTIVE: To implement Internal Co-operation and Controls to ensure compliance with legislation						
Number of meetings of the Adjudication Committee conducted	Conducting at least 12 meetings of the Adjudication Committee by June 2011	16 Meetings	Conducting at least 12 meetings of the Adjudication Committee by June 2012	10 Meetings		No meetings could take place during 3rd quarter and no tenders could be considered, due to the financial position of Council	Speed up the process in next financial year
INDICATOR	MEASURABLE OBJECTIVE: To implement Internal Co-operation and Controls to ensure compliance with legislation						
Number of SCM workshops for internal & external people conducted	Conducting 8 SCM workshops for internal & external people by June 2011	None	Conducting 8 SCM workshops for internal & external people by June 2012	1 Workshop conducted		Unavailability of personnel and lack of management planning	Improve planning and delivery of workshops

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DIRECTORATE: CORPORATE SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To approve the Workplace Skills Plan to comply with legislation						
Annual WSP / ATR submitted to LGSETA	Submitting 2010/11 WSP / ATR to LGSETA by June 2011	WSP submitted	Submitting 2012/13 WSP / ATR to LGSETA by June 2012	Electronic and manual WSP was submitted on the 29th of June 2012			
Annual Employment Equity Report submitted to the Department of Labour	Submitting the 2009/10 Employment Equity Report to Department of Labour by September 2010	EEP submitted	Submitting the 2010/11 Employment Equity Report to Department of Labour by September 2011	Employment Equity Report was submitted electronically			
INDICATOR	MEASURABLE OBJECTIVE: To approve the Workplace Skills Plan to comply with legislation						
Number of employees trained on Employment Equity / non-discrimination	Training for 45 employees on Employment Equity / non-discrimination by June 2011	45 Employees trained	Conducting training for 45 employees on Employment Equity / non-discrimination by June 2012	45 Employees trained and workshopped			
Number of EECF meetings conducted	Conducting 11 EECF meetings by June 2011	10 EECF meetings	Conducting 11 EECF meetings by June 2012	12 EECF meetings			

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DIRECTORATE: CORPORATE SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To develop and enhance employee wellness						
Employee Wellness Programme developed	Implementing a Employee Wellness Programme for Council at a cost of R300,000 by June 2011	None	Implementing a Employee Wellness Programme at a cost of R300,000 R100,000 (Revised - CC 07/2012) by September 2011	None		The tender for appointing service provider for assistance with development of employee wellness plan was refrained from Supply Chain process.	The unit in conjunction with Occupational Health and Occupational Safety will develop its own plan in the next financial year
INDICATOR	MEASURABLE OBJECTIVE: To conduct Mayoral Committee meetings to comply with legislation						
Number of Mayoral Committee meetings conducted	Conducting 11 Mayoral Committee meetings by June 2011	8 Mayoral & 19 Special Mayoral Committee meetings	Conducting 11 Mayoral Committee and 6 Special Mayoral Committee meetings by June 2012	8 MayCo & 14 Special MayCo meetings			

Chapter 3





KEY PERFORMANCE AREA 4: Municipal Financial Viability & Management

DIRECTORATE: STRATEGIC PLANNING, MONITORING AND CONTROL							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To report on outstanding disclaimer and qualifications to ensure sound financial management						
Number follow-up audit reported to review resolutions on outstanding disclaimer and qualifications on the Auditor General's report and Internal Auditor's findings	Reporting with 4 follow-up audit to review resolutions on outstanding disclaimer and qualifications on the Auditor General's report by June 2011	1 Follow-up audits report	Reporting with 4 follow-up audit to review resolutions on outstanding disclaimer and qualifications on the Auditor General's report by June 2012	2 Follow-up audits reports		The 4th quarter 2010/11 SDBIP report was submitted to the PAC, but not discuss, as they were not appointed by then. Third quarter Audit completed, Report on Audit of Performance Information submitted to Performance Audit	Report will be submitted to Audit Committee during meeting to be held in August 2012
DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
INDICATOR	MEASURABLE OBJECTIVE: To effectively do revenue collection to ensure sound financial matters						
R value income collected from driver's licenses	Collecting R4,199,210 income from driver's licenses by June 2011	6,847,344	Collecting R6,000,000 income from driver's licenses by June 2012	R6,858,000			
R value income collected from vehicle registration and licensing / renewals	Collecting R 51,100,200 income from vehicle registration and licensing / renewals by June 2011	49,020,107	Collecting R55,499,573 income from vehicle registration and licensing / renewals by June 2012	R9,269,531 Commission received		Income depends on registration and licensing of vehicles. Cannot be calculated in advance	




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DIRECTORATE: MUNICIPAL AND ENVIRONMENTAL SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To collect revenue to ensure sound financial matters						
R value income collected from outstanding traffic fines	Collecting R6,051,830 on outstanding traffic fines by June 2011	R 9,379,518	Collecting R9,097,700 on outstanding traffic fines (Revised - CC 07/2012) by June 2012	R6,557,462		The service provider TCS was not paid for two months during which no warrants could be served. After termination of their contract, no postage money was available	Warrants to be issued in the next financial year
DIRECTORATE: FINANCIAL SERVICES							
INDICATOR	MEASURABLE OBJECTIVE: To approve the budget in order to comply with legislation						
2012/13 Budget planning process time table tabled	Tabling the 2010/11 budget planning process time table by 31 August 2010	2010/11 Budget planning process time tabled (CC91/2010 dated 31 August 2010)	Tabling the 2012/13 budget planning process time table by 31 August 2011	Time Table tabled approved. CC 62/2011 dated 6 August 2011			
2012/13 Draft budget approved	Approving the 2011/12 draft budget by March 2011	2011/12 Draft Budget approved on 28 March 2012	Approving the 2012/13 draft budget by March 2012	2012/13 Draft Budget approved. CC 24/2012 dated 31 March 2012			




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DIRECTORATE: FINANCIAL SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To approve the budget in order to comply with legislation						
Budget related policies approved	Approving the final financial related policies and tariffs by 31 May 2011	Financial policies & tariffs approved. CC 35/2011 dated 29 April 2011	Approving the final financial related policies and tariffs by 31 May 2012	Financial policies & tariffs approved. CC 45/2012 dated 29 May 2012			
INDICATOR	MEASURABLE OBJECTIVE: To approve the budget in order to comply with legislation						
2012/13 Draft budget approved	Approving the 2011/12 draft budget by March 2011	2011/12 Draft Budget approved on 28 March 2012	Approving the 2012/13 draft budget by March 2012	2012/13 Draft Budget approved. CC 24/2012 dated 31 March 2012			
Budget related policies approved	Approving the final financial related policies and tariffs by 31 May 2011	Financial policies & tariffs approved. CC 35/2011 dated 29 April 2011	Approving the final financial related policies and tariffs by 31 May 2012	Financial policies & tariffs approved. CC 45/2012 dated 29 May 2012			
INDICATOR	MEASURABLE OBJECTIVE: To approve the Adjustment Budget to comply with legislation						
2011/12 adjustment budget approved	Approving the 2010/11 adjustment budget by 28 February 2011	2010/11 Adjustment Budget approved (CC 15/2011 dated 22/02/2011)	Approving the 2011/12 adjustment budget by 28 February 2012	2011/12 Adjustment Budget approved. CC 7/2012 dated 31 January 2012			




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DIRECTORATE: FINANCIAL SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To collect revenue for property rates to comply with legislation						
% of budgeted revenue for property rates collected	-	-	60 % of budgeted revenue for property rates collected by June 2013 (Implementation of the Municipal Property Rates Act, 2004 (Act no. 6 of 2004)	40.93%		Cash flow problem - less income was generated	More income to be generated
INDICATOR	MEASURABLE OBJECTIVE: To promptly paid all creditors to indicate the payment of creditors						
All payments (creditors) be done within 30 days	All payments (creditors) be done within 30 days of receipt of invoice / statement by June 2011	R 19,215,892	All payments (creditors) be done within 30 days of receipt of invoice / statement by June 2012	R121,661,328		Cash flow problem - less income was generated	More income to be generated
INDICATOR	MEASURABLE OBJECTIVE: To compile a new valuation roll to comply with legislation						
New valuation roll (part 1) compiled	-	-	Compiling a new valuation roll (part 1) for the KOSH area at a cost of R8,000,000 by June 2012	None R0.00		Council approved extension of valuation roll	Obtained MEC approval until 2014

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DIRECTORATE: FINANCIAL SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To audit & license software to comply with legislation						
All software audited and licensed	Auditing and licensing all software (R42,000) by September 2010	Software audited & licensed	Auditing and renewing of 625 software licenses at a cost of R1,246,000 (Revised - CC 07/2012) by June 2012 - 14 Different system licenses	Software audited & licensed R1,246,000			
INDICATOR	MEASURABLE OBJECTIVE: To revise the Supply Chain Management policy to comply with legislation						
Supply Chain Management policy revised	-	-	Revising the Supply Chain Management policy by March 2012	Draft Finalized		Part of process to review all Council policies was hold back to be able to deal with all policies	Process to commence during 2012/13 financial year
DIRECTORATE: MARCO CITY PLANNING AND DEVELOPMENT							
INDICATOR	MEASURABLE OBJECTIVE: To collect income to ensure effective financial viability						
Total income and % collected from rentals	Total income of R748,290 collected (100%) from rentals by June 2011	R701,800 93.79%	Total income of R784,208 collected (100%) from rentals by June 2012	R794,894 101.36%			

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DIRECTORATE: MARCO CITY PLANNING AND DEVELOPMENT							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To collect income to ensure effective financial viability						
Total income and % collected from ripening rooms	Total income of R300,000 collected (100%) from ripening rooms by June 2011	R344,699 114.9%	Total income of R380,000 collected (100%) from ripening & cooling rooms by June 2012	R720,680 189.65%		Farmers brought in more produce than expected	
INDICATOR	MEASURABLE OBJECTIVE: To collect income to ensure effective financial viability						
Total income and % collected from market dues	Total income of R13,042,720 collected (100%) from market dues by June 2011	R12,462,235 95.55%	Total income of R14,509,992 collected (100%) from market dues (Revised - CC 07/2012) by June 2012	R13,951,253 96.15%		Targeted Income was increased during Adjustment budget with R2 000 000.00 by Finance Department. Seeing that the Market was exceeding its original targeted budget	Finance forecast to be more accurate
Total income and % collected from rental transport	Total income of R59,510 collected from (100%) transport by June 2011	R58,777 98.77%	Total income of R62,366 collected (100%) from rental transport by June 2012	R79,165 126.94%			

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KEY PERFORMANCE AREA 5: Good Governance and Public Participation

DIRECTORATE: STRATEGIC PLANNING, MONITORING AND CONTROL							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To approve the draft IDP to comply with legislation						
Draft 2012/13 IDP approved by Council	Approving draft 2011/12 IDP by Council by March 2011	Draft 2011/12 IDP approved	Approving draft 2012/13 IDP by Council by March 2012	Draft 2012/13 IDP approved CC 24/2012 dated 31 March 2012			
INDICATOR	MEASURABLE OBJECTIVE: To table the IDP Process Plan to indicate key deadlines						
2012/13 IDP process plan tabled before Council	Tabling of 2011/12 IDP process plan before Council by August 2010	2011/12 IDP process plan tabled 28 August 2010	Tabling of 2012/13 IDP process plan before Council by August 2011	2012/13 IDP Process Plan tabled. CC 76/2011 dated 30 August 2011			
INDICATOR	MEASURABLE OBJECTIVE: To enhance public participation to comply with legislation						
Number Rep Forum meetings conducted	Conducting 3 Rep Forum meetings by June 2011	2 Meetings	Conducting 3 Rep Forum meetings by June 2012	3 Meetings			
Number community consultations meetings conducted	Conducting 3 community consultations meetings by June 2011	3 Meetings	Conducting 3 community consultations meetings by June 2012	3 Meetings			





Chapter 3

DIRECTORATE: STRATEGIC PLANNING, MONITORING AND CONTROL							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To conduct Audit Committee Meetings to ensure good governance						
Number Audit Committee/ PAC meetings held to ensure an effective discharging of responsibilities	Holding 4 Audit Committee meetings to ensure an effective discharging of responsibilities by June 2011	2 Meetings	Holding 4 Audit Committee / PAC meetings to ensure an effective discharging of responsibilities by June 2012	5 Meetings			
INDICATOR	MEASURABLE OBJECTIVE: To issue Performance Information Audit Reports to ensure compliance with legislation						
Number performance information audit reports issued to assess the efficiency and effectiveness of performance achieved	Issuing 4 Performance information audit reports to assess the efficiency and effectiveness of performance achieved by Council by June 2011	4 Reports	Issuing 4 Performance information audit reports to assess the efficiency and effectiveness of performance achieved by Council by June 2012	4 Reports			
INDICATOR	MEASURABLE OBJECTIVE: To issue activity reports to ensure good governance						
Number activity reports issued to the Audit Committee and Accounting Officer on the progress of rolling out the audit plans	Issuing 4 activity reports to the Audit Committee and Accounting Officer on the progress of rolling out the audit plans by June 2011	2 Reports	Issuing 4 activity reports to the Audit Committee and Accounting Officer on the progress of rolling out the audit plans by June 2012	5 Reports			





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DIRECTORATE: STRATEGIC PLANNING, MONITORING AND CONTROL							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To adopt the Internal Audit Charter to comply with legislation						
Reviewed IA Charter adopted in accordance with IIA standards	Adopting the reviewed IA Charter in accordance with IIA standards by June 2011	Approved IA Charter	Adopting the reviewed IA Charter in accordance with IIA standards by June 2012	Draft report			IA Charter will be reviewed during August 2012 Audit Committee meeting
INDICATOR	MEASURABLE OBJECTIVE: To update the Risk Register to ensure good governance and to comply with legislation						
Number 2011/12 & 2012/13 Risk Assessment workshops facilitated on emerging risks	Updating the 2010/11 Risk Register to report to management on emerging risks by December 2010	Not yet	Facilitating the 2011/12 & 2012/13 Risk Assessment workshops on emerging risks by June 2012	2011/12 Risk Assessment workshops facilitated		Risk register not completed in time.	Risk register to be completed by 31 August 2012
INDICATOR	MEASURABLE OBJECTIVE: To review Risk Management processes to ensure good governance and to comply with legislation						
Number 2011/12 reports on the effectiveness of risk management and emerging risks to Audit Committee and risk management committee	Updating the 2011/12 Risk Register to report to management on emerging risks by December 2010	Not yet	1 Report on the 2011/12 Risk Register to the Audit Committee and risk management committee on emerging risks and the effectiveness of risk management by December 2011	1 Report			





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DIRECTORATE: STRATEGIC PLANNING, MONITORING AND CONTROL							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To submit a Risk Based Audit Plan to ensure						
3-Year Risk Based Audit Plan 2012/13 submitted to the Audit Committee for approval	Submitting a 2011/13 3-Year Risk Based Audit Plan to the Audit Committee for approval by June 2011	Not yet	Submitting a 3-Year Risk Based Audit Plan 2012/13 to the Audit Committee for approval by June 2012	None		Risk register not completed in time.	Risk register to be completed by 31 August 2012
INDICATOR	MEASURABLE OBJECTIVE: To hold section 79 & 80 committees meetings held to ensure better council performance						
Number of sec.79 committees meetings (Port folio Meetings) conducted	Conducting 121 - 11 sec.79 committees meetings (Port folio Meetings) by June 2011	113 - 11 sec.79 Meetings	Conducting 121 (11 sec.79) committees meetings (Port folio Meetings) by June 2012	104 Meetings		No meetings were held during July 2011 and January 2012	Scheduled meetings to continue
Number of sec 80 committees meetings (Ad Hoc Meetings) conducted	Conducting 70 sec 80 committees meetings (Ad Hoc Meetings) by June 2011	57 - sec 80 Ad Hoc Meetings	Conducting 70 sec 80 committees meetings (Ad Hoc Meetings) by June 2012	35 Meetings		Cllrs need to be appointed by EM on different Sec. 80 Committees - No meetings during July 2011 and January 2012	Scheduled meetings to continue
DIRECTORATE: CORPORATE SERVICES							
INDICATOR	MEASURABLE OBJECTIVE: To establish an Engagement of Attorneys policy to regulate the allocation of cases and opinion to attorneys						
Engagement of Attorneys policy established	-	-	Establishing an Engagement of Attorneys policy for Council by December 2011	None		Part of process to review all Council policies was hold back to be able to deal with all policies	Process to commence during 2012/13 financial year





Chapter 3

DIRECTORATE: CORPORATE SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To establish a contract management procedure for Council to enhance monitoring						
Contract management report drafted	-	-	Drafting a contract management report to centralize all Council agreements for management and monitoring by June 2012	None		The manual has been sent to Directors for comments	Approve draft contract management report
INDICATOR	MEASURABLE OBJECTIVE: To revise the land alienation policy to comply with legislation						
Land Alienation policy drafted	-	-	Revising the Land Alienation policy to expedite the disposal and transfer of Council land by March 2012	None		Part of process to review all Council policies was hold back to be able to deal with all policies	Process to commence during 2012/13 financial year
Lease of Council land policy drafted	-	-	Drafting a Lease of Council land policy to regulate market related rental value by March 2012	None		Part of process to review all Council policies was hold back to be able to deal with all policies	Process to commence during 2012/13 financial year
INDICATOR	MEASURABLE OBJECTIVE: To conduct OHS inspections to ensure legal compliance						
Number of OHS inspections in Council departments conducted	Conducting 12 OHS inspections in Council departments by June 2011	35 OHS inspections	Conducting 12 OHS inspections in Council departments by June 2012	117 Inspections			




Chapter 3

DIRECTORATE: CORPORATE SERVICES							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To conduct OHS audits to ensure that all deviations be corrected according to the Act						
Number OHS audits conducted	Conducting 2 OHS Audits by June 2011	2 OHS Audits conducted	Conducting 2 OHS Audits by June 2012	2 OHS Audits conducted			
INDICATOR	MEASURABLE OBJECTIVE: To ensure effective Council administration and compliance with legislation						
Number of ordinary council meetings conducted	Conducting 12 ordinary council meetings by June 2011	13 Ordinary & 4 Special Council meetings	Conducting 12 ordinary council and 6 special council meetings by June 2012	10 Ordinary & 9 Special meetings			
INDICATOR	MEASURABLE OBJECTIVE: To motivate ward committees for quality performance						
Ward Committee Performance Awards facilitated	Facilitating Ward Committee Performance Awards by December 2010	Award facilitated	Conducting annual Ward Committee Performance Awards by evaluating all wards at a cost of R221,547 by November 2011	None		Due to financial constraints awards were postponed till 2012/13	Deferred to 2012/13 financial year
INDICATOR	MEASURABLE OBJECTIVE: To conducted Moral Re-regenerations workshops as per National legislation						
Number of moral re-generation workshops in KOSH conducted	Conducting 4 moral re-generation workshops in KOSH by June 2011	4 moral re-generation workshops	Conducting 4 moral re-generation workshops and 2 public holiday commemoration in KOSH at a cost of R500,000 by June 2012	4 Events R176,085		Due to financial constraints could not continue with workshops	To continue with workshops in new financial year

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DIRECTORATE: MARCO CITY PLANNING AND DEVELOPMENT							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To revise the Communication Policy to create internal and external awareness on corporate communication						
Access to Information Policy revised	Developing of the Access to Information Policy by June 2011	Policy developed, but not implemented	Revising of the Access to Information Policy by March 2012	Access to Information Policy revised and approved			
INDICATOR	MEASURABLE OBJECTIVE: To revise the Communication Policy to create internal and external awareness on corporate communication						
Media Relations Policy revised	Developing of the Media Relations Policy by June 2011	Not yet	Revising of the Media Relations Policy by March 2012	None		Part of process to review all Council policies was hold back to be able to deal with all policies	Process to commence during 2012/13 financial year
Crises Communication Policy revised	Developing of the Crises Communication Policy by June 2011	Not yet	Revising of the Crises Communication Policy by March 2012	None		Part of process to review all Council policies was hold back to be able to deal with all policies	Process to commence during 2012/13 financial year
INDICATOR	MEASURABLE OBJECTIVE: To revise the Communication Policy to create internal and external awareness on corporate communication						
City Branding Policy revised	Developing of the City Branding Policy by June 2011	Not yet	Revising of the City Branding Policy by March 2012	None		Part of process to review all Council policies was hold back to be able to deal with all policies	Process to commence during 2012/13 financial year

Chapter 3

DIRECTORATE: MARCO CITY PLANNING AND DEVELOPMENT							
Operational	Previous Financial Year 2010/11		Financial Year Under Review 2011/12		Rating	Reason for Deviation	Measures Taken To Improve Performance
	Target	Actual Performance	Target	Actual Performance			
INDICATOR	MEASURABLE OBJECTIVE: To revise the Communication Policy to create internal and external awareness on corporate communication						
Events Management Policy developed	Developing of the Events Management Policy by June 2011	Not yet	Developing of the Events Management Policy by June 2012	None		Part of process to review all Council policies was hold back to be able to deal with all policies	Process to commence during 2012/13 financial year
INDICATOR	MEASURABLE OBJECTIVE: To distribute internal & external newsletters to ensure transparency with Council affairs						
Number of internal communiqués compiled & distributed to all employees of Council	Compiling & Distributing 6 internal communiqués to all employees of Council by June 2011	5 Internal communiqués	Compiling & Distributing 6 internal communiqués to all employees of Council by June 2012	1 Communiqué		Directive received from Council to reduce expenditure of Council funded	Implement strategy to improve revenue
Number of external publications compiled & distributed regarding Council affairs to the community	Compiling & Distributing 12 external publications regarding Council affairs to the community by June 2011	12 External publications	Compiling & Distributing 12 external publications regarding Council affairs to the community by June 2012	6 External publication		Directive received from Council to reduce expenditure of Council funded	Implement strategy to improve revenue

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3.26 REPORT OF THE AUDIT COMMITTEE

REPORT OF THE AUDIT COMMITTEE FOR THE FINACIAL YEAR ENDED 30 JUNE 2012

The Audit Committee is pleased to present its report for the financial year ended 30 June 2012.

A. Audit Committee Charter

The Audit Committee has adopted formal Terms of Reference as its Audit Committee Charter that has been recommended for approval by the Council. The Charter is available on request.

B. Audit Committee members and attendance at meetings

The Audit Committee consists of four (4) independent members. It is required to meet at least four times a year as specified in terms of the Audit Committee Charter and Municipal Finance Management Act 56 of 2003 ("MFMA").

The Municipal Manager, Chief Financial Officer, Internal Audit Function, External Auditors, National and Provincial Treasury and other assurance providers (legal, compliance, risk, etc.) attended meetings by invitation.

During the year under review, 5 meetings were held by the Audit Committee.

Members	No. of Audit meetings	No. of meeting attended
1. Mashukudu James Maboja CA (SA) and RA (Chairperson)	5	5
2. Mr Pedume Charles Malemone CA (SA)*	5	5
3. Mrs Lerato Masoetsa CIA*	5	4
4. Mrs Masego Balogun*	5	5
5. Frans J van der Westhuizen #	#-	#-
6. Paul L Samuels #	2	0

* -Note that these Independent Committee members were appointed with effect from 1 November 2011

#-Mr FJ van der Westhuizen and Mr PL Samuels resigned on 06 June 2011 and 06 February 2012 respectively.

C. Roles and responsibilities

The Audit Committee's roles and responsibilities include its statutory duties per the MFMA as well as the Treasury Regulations.

The Audit Committee was responsible for performing its duties as set out in the Terms of Reference, which included reviewing the following:

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- ◆ The effectiveness of the City of Matlosana's internal control systems;
- ◆ The risk areas of City of Matlosana's operations to be covered in the scope of the internal and external audits;
- ◆ The accounting and auditing concerns identified as a result of the internal and external audits
- ◆ The City of Matlosana's compliance with legal and regulatory provisions, in particular MFMA and Treasury Regulations;
- ◆ The activities of the Internal Audit function, including its work programmes, coordination with the external auditors, the report of significant investigations and the responses of management to specific recommendations;
- ◆ The review of financial statements with specific attention to:
 - Underlying accounting policies or changes thereto;
 - Major estimates and managerial judgements;
 - Significant adjustments flowing from the year-end audits;
 - Compliance with effective Standards of Generally Recognised Accounting Practices ("GRAP"), the MFMA and other statutory prescripts; and
 - The appropriateness of the going concern assumptions.

Internal financial controls

The Audit Committee's assessment of the City of Matlosana's internal control environment is that they were very insufficient. This led to the municipality again obtaining a disclaimer of the audit opinion by the Auditor General of South Africa (AGSA) for the financial year ended 30 June 2012. City of Matlosana had instability at management level, with the Municipal Manager and Chief Financial Officer only being appointed in April 2012 and May 2012 respectively.

Evaluation of the Financial Statements

The external audit was conducted by the Auditor General of South Africa as required by section 188 of the Constitution of South Africa, 1996 (Act No 108 of 1996) and section 4 of the Public Act of South Africa, 2004 (Act No 25 of 2004). The Auditor General presented the Audit Strategy and Scope to the audit committee.

The Audit Committee has reviewed:

- ◆ The audited annual financial statements to be included in the annual report,
- ◆ The auditor management letter and management responses,
- ◆ The appropriateness of accounting policies and practices,
- ◆ Significant adjustment resulting from the audit.

Internal Audit

The internal audit function of City of Matlosana is internally based. The internal audit function reports to the audit committee with the responsibility for reviewing and providing assurance on the adequacy of the internal control environment across all the City of Matlosana's operations. The internal audit is responsible for reporting the findings against agreed internal audit plan to the Audit Committee on a regular basis. The Internal Audit has direct access to the Audit Committee, primarily through its chairperson.

The Audit Committee considered and recommended for approval, the following reports during the year:

- ◆ Internal Audit Charter;
- ◆ Internal Audit Methodology;
- ◆ Three year Annual Internal audit Rolling Plan.

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- ◆ Several Internal Audit Reports on several audit areas including:
 - Governance audit
 - Contract management audit
 - Follow-up audits on Internal Audit and AGSA reports
 - Asset management
 - Supply Chain Management and Expenditure
 - Revenue Management

The Audit Committee is also responsible for the assessment of the performance of the Internal Audit function. The Audit Committee is of the opinion that the Internal Audit Function was effective in identify control weaknesses and risks, however lack of Municipal Manager and Chief Financial Officer for significant part of the year, lead to unsatisfactory response to internal audit recommendations and findings.

Risk Management Process

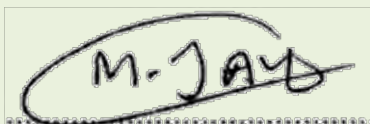
An organisation risk assessment was conducted in the current year and the risk register was submitted to the audit committee for review and approval. Several non-compliances with acts, legislative framework and policies were identified as critical. The Audit Committee is concerned about the staff capacity of the risk management function and has made relevant recommendations to the Council.

Going concern

The Audit Committee reviewed a documented assessment by management of the going concern premise before agreeing that the adoption of the going concern premise is appropriate in preparing the financial statements. However there is concern over the cash flow situation at the municipality and thus active management of debtors and control over expenditure will be critical towards the municipality's survival.

D. Conclusion

The Audit Committee is satisfied that it complied with its legal, regulatory or other responsibilities.



Mr Mashukudu James Maboja CA (SA) and RA
Chairperson of the Audit Committee

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3.27 REPORT OF THE PERFORMANCE AUDIT COMMITTEE

REPORT OF THE PERFORMANCE AUDIT COMMITTEE OF MATLOSANA LOCAL MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2012

1. Introduction

The Performance Audit Committee ("the Committee") is pleased to present its report for the financial year ended 30 June 2012.

2. Committee Composition

The Committee is established in accordance with the prescripts of the MFMA No 56 of 2003, section 166 and section 14 (2) of the Local Government: Municipal Planning and Performance Management Regulations, 2001. The Committee comprised of 4 independent members at 30 June 2012, who were not in the employ of the municipality. In addition, no members are political office bearers.

3. Number of Meetings held during the financial year

The table below indicate the number of meetings held by the committee since its establishment and attendance by members.

Date of meetings	I Motala	N Molapo	N Maape	P Chwene
26 Oct 2011	✓	×	×	✓
13 Feb 2012	✓	✓	✓	✓
14 May 2012	✓	✓		
28 August 2012	✓			
Total attended	4	2	1	1

4. Roles and Responsibilities

One of the main responsibilities of the committee is to ensure that the municipality promotes the effective, efficient and economic use of resources in line with section 195 of the constitution. In this regard the Committee conducted its affairs in accordance with its mandate as set out in legislation and executed its responsibilities in terms of its statutory duties and the requirements of King III. Furthermore, the committee is tasked with the review of the Annual Performance Report.

5. Internal Audit

The Internal Audit Activity ("the IAA") under the direction of the Assistant Director, Internal Audit continues to provide assurance to the Committee on the internal controls within the Municipality. During the period under review numerous assignments were undertaken, the results of which were presented to the Committee. The implementation on corrective action on internal control weaknesses identified was partially effective.

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In the year to follow, the Committee will continue to monitor progress on implementation to ensure that internal controls are effectively and efficiently monitored and reviewed and recommendations of IA and the Committee are implemented.
Internal Audit is seriously under capacitated but the Committee notes with gratitude that a concerted effort is being made by the Municipality to address this matter.

6. Performance Management

Performance Management at the Municipality remains ineffective due to the lack of buy-in on the reporting procedures by divisional managers. In the year under review the Committee was unable to effectively perform its mandate partly due to non or late submission of information by certain directorates. This resulted in the consolidated reports being submitted long after the end of a particular quarter and in all cases not being subjected to a process of internal audit prior to submission to the Committee and Council. This resulted in Council approving reports whose authenticity had not been confirmed through the auditing process.

Management comments on issues raised by Internal Audit are in most cases lacking and where provided, lack content and an indication of a serious intention to address the deficiencies.

Lack of commitment by managers in implementing the recommendations of Internal Audit poses a serious challenge and will not result in the intended purpose of these recommendations, namely to improve the performance management in the Municipality.


Internal Audit is seriously under capacitated but the Committee notes with gratitude that a concerted effort is being made by the Municipality to address this matter. It is hoped that these efforts will enable internal audit to fully execute its functions, especially with regard to the audit of effectiveness, efficiency and economy.

7. Review of the Annual Performance Report for the year ended 30 June 2012

The Committee has considered the Annual Performance Report for the year ended 30 June 2012 and reviewed it for material compliance with legislation, regulations and the appropriate accounting policies, standards and practices, prior to submission to the Auditor General of South Africa (AGSA) to perform the regulatory audit. Recommendations have been made on certain amendments to be effected prior to submission.

8. Conclusion

The Committee recommends the tabling of the unaudited Annual Performance Report in Council, prior to submission to the AGSA on 31 August 2012.


M.I. Motala
Date: 31/08/2012.
Chairperson: Performance Audit Committee
Matlosana Local Municipality

Chapter 4



Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

The City of Matlosana strives towards the:-

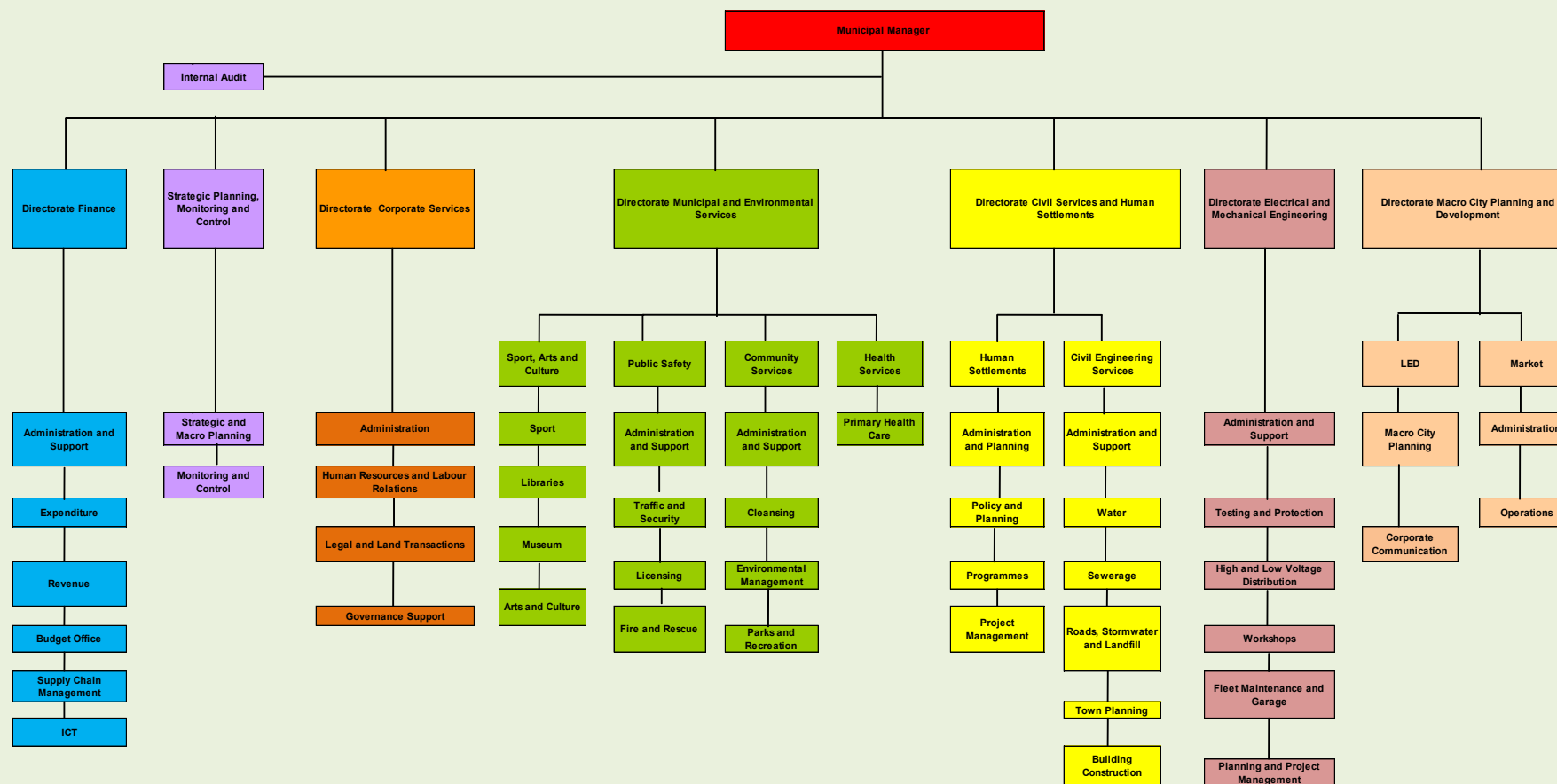
- ◆ Improvement of Municipal performance and individual development of municipal employees.
- ◆ Focuses on the methodologies, and achievements, strategic planning, organizational design, leadership development, coaching, diversity, and balance between life and work.
- ◆ Analysis objectives, structure, policy, human resources and compensation of the Municipality.

The City of Matlosana's top structure is as follows:-

Chapter 4

CITY OF MATLOSANA

OVERHEAD STRUCTURE



Chapter 4

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	2010/11	2011/12			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	122	211	116	95	45%
Waste Water (Sanitation)	175	250	175	75	30%
Electricity	145	215	135	80	37%
Waste Management	397	570	385	185	32%
Housing	20	33	16	17	52%
Roads & Storm-Water Drainage	196	237	186	51	22%
Transport (Licensing)	65	73	61	12	16%
Planning	51	65	49	19	29%
Local Economic Development	12	21	17	4	19%
Fresh Produce Market	43	45	42	3	7%
Planning (Strategic & Regulatory)	8	15	11	4	27%
Community & Social Services (Libraries, Museum, Arts & Culture and Cemeteries)	148	167	144	23	14%
Environmental Protection (Parks, Faan Meintjes, Aerodrome and Orkney Vaal)	214	277	211	66	24%
Health	28	38	27	11	29%
Security and Safety (Traffic & Security and Fire & Disaster Management)	256	355	251	104	29%
Sport and Recreation	107	121	102	19	16%
Corporate Policy Offices and Other (Political Offices, Directors, MM, Human Resources, Finance, ICT and Administration)	307	441	325	116	26%
Totals	2,294	3,134	2,253	884	28%

Chapter 4

EMPLOYEE VACANCY RATE

Vacancy Rate: 2011/12			
Designations	Total Approved Posts	Vacancies (Total time that vacancies exist using fulltime equivalents)	Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0.0
CFO	1	0	0.0
Other S57 Managers (excluding Finance Posts)	6	2	33.3
Other S57 Managers (Finance posts)	0	0	0.0
Police officers	0	0	0.0
Fire fighters	92	53	57.6
Senior management: Levels 1 - 3 (excluding Finance Posts)	40	14	35.0
Senior management: Levels 1 - 3 (Finance posts)	8	1	12.5
Highly skilled supervision: levels 4 - 6 (excluding Finance posts)	125	31	24.8
Highly skilled supervision: levels 4 - 6 (Finance posts)	22	7	31.8
Total	295	108	36.6

EMPLOYEE TURN-OVER RATE

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate
	No.	No.	
2009/10	301	128	43%
2010/11	336	159	47%
2011/12	50	87	174%

COMMENTS ON VACANCIES AND TURNOVER

The total vacancy rate for the financial year under review totaled 884 or 28%.

Critical positions are filled from time to time from external and internal sources. The total number of vacancies remains a challenge but will be addressed during the 2012/2013 financial year.

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The status of the section 57 managers is as follows:-

Designation	Status
Municipal Manager	Filled
Director Finance (Chief Financial Officer)	Filled
Director: Corporate Services	Filled
Director: Municipal and Environmental Services	In process
Director: Civil Services and Human Settlements	In process
Director: Macro City Planning and Development	Filled
Director: Electrical and Mechanical Engineering	Filled
Director: Strategic Planning, Monitoring and Control	Filled

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The current workforce is 2,294 employees.

The Municipality has since developed number of policies that are currently being workshopped to the Councillors so that it may be adopted. The process is towards completion.

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action	-	-	No approved policy in place
2	Retention	-	-	Council to approve during Sept.'12
3	Code of Conduct for employees	-	-	Use Annexure B in MSA
4	Delegations, Authorisation & Responsibility	-	-	No approved policy in place
5	Disciplinary Code and Procedures		90%	Council to approve during Sept.'12
6	Essential Services	-	-	30 June 2009 CC72/2009
7	Employee Assistance / Wellness	-	-	
8	Employment Equity	-	-	31 March 2009 CC42/2009
9	Exit Management	-	-	
10	Grievance Procedures	80%		To be workshopped: 13/09/2012
11	HIV/Aids		90%	31 March 2009 CC42/2009
12	Human Resource and Development	-	-	No approved policy in place
13	Information Technology	-	-	No approved policy in place
14	Job Evaluation	-	-	No approved policy in place
15	Leave	-	-	To be workshopped: 13/09/2012
16	Occupational Health and Safety	-	-	No approved policy in place
17	Official Housing	-	-	No approved policy in place
18	Official Journeys	-	-	Council to approve during Sept.'12
19	Official transport to attend Funerals	-	-	Council to approve during Sept.'12

Chapter 4

20	Official Working Hours and Overtime	-	-	No approved policy in place
21	Organisational Rights	-	-	No approved policy in place
22	Payroll Deductions	-	-	No approved policy in place
23	Performance Management and Development		90%	30 June 2009 CC72/2009
24	Recruitment, Selection and Appointments	-	-	No approved policy in place
25	Remuneration Scales and Allowances	-	-	No approved policy in place
26	Resettlement	-	-	No approved policy in place
27	Sexual Harassment		90%	30 June 2009 CC72/2009
28	Skills Development	-	-	No approved policy in place
29	Smoking		90%	30 June 2009 CC72/2009
30	Special Skills	-	-	No approved policy in place
31	Work Organisation	-	-	No approved policy in place
32	Uniforms and Protective Clothing		90%	31 March 2009 CC42/2009
33	<p>◆ Other: The following Policies are approved by Council and effected:</p> <p>◆ Approved on 27 July 2010 – CC70/2010:</p> <p>Fraud and Corruption</p> <p>Whistle Blowing</p> <p>Retention (90% reviewed – to approved by Council on 4 Sept 2012)</p> <p>Study</p> <p>Career/succession planning</p> <p>Transport allowance</p> <p>◆ Approved on 25 May 2010 – CC47/2010:</p> <p>Internet – 80% reviewed (To be work shopped on 13 September 2012)</p> <p>◆ Approved on 30 June 2009 – CC72/2009:</p> <p>Indigent Burial</p> <p>Essential Services</p> <p>◆ Approved on 31 March 2009 – CC41/2009:</p> <p>Relocation</p> <p>Sports and Recreation</p> <p>Substance Abuse</p> <p>Training and Development</p> <p>◆ Other Policies already work shopped on 10 July 2012 and to be approved by Council on 4 September 2012:</p> <p>90% Reviewed:</p> <p>Staff retention</p> <p>Records Management</p> <p>Telephone</p> <p>Bereavement</p> <p>Retirement</p> <p>Ill Health</p> <p>Induction</p> <p>◆ Other Policies to be work shopped on 13 September 2012 and to be approved by Council during October 2012:</p> <p>80% Reviewed:</p> <p>Fresh Produce Market</p> <p>Leave policy</p> <p>Grievance policy</p> <p>Legal services policy</p> <p>Travel & Subsistence allowance policy</p> <p>Organisational rights for trade unions</p>			

Chapter 4

33 cont	Succession policy Password Protection standards Internet policy Servers security policy Workstation security policy General password construction guidelines E-mail use policy Guidelines on anti-virus process Heritage policy Informal trading policy SMME policy Tourism strategy Grants policy Sponsorship policy Investor's policy Public Private partnership policy
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4.3 INJURIES, SICKNESS AND SUSPENSIONS

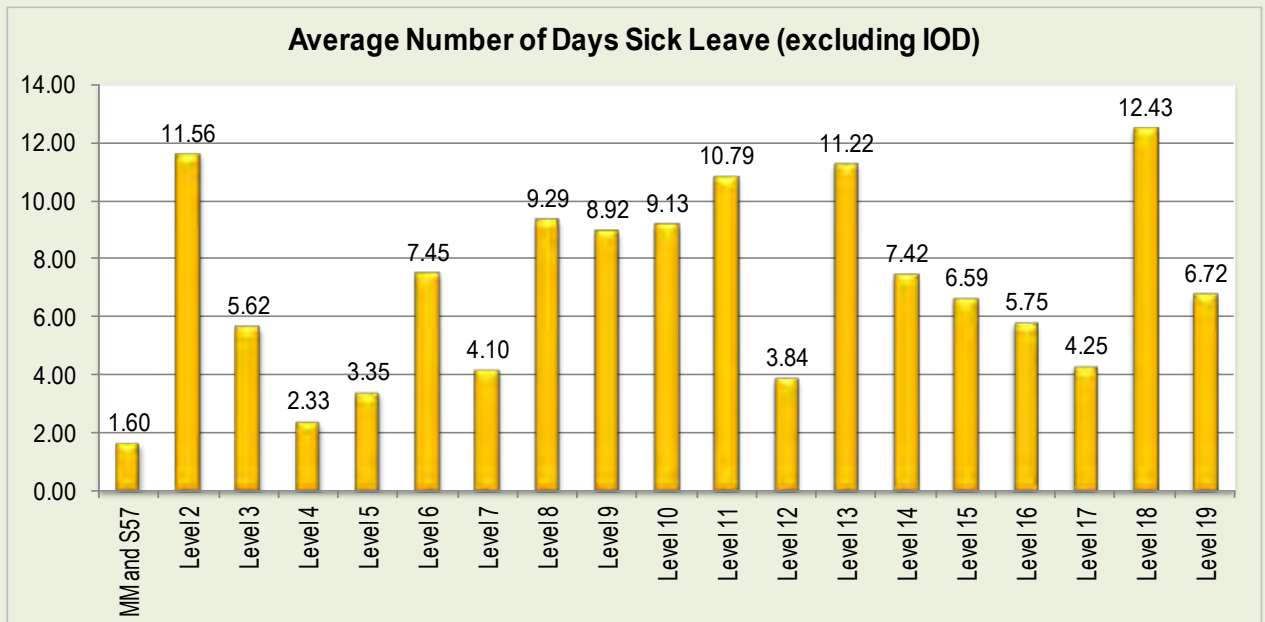
Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	60	5	8%	12	3
Temporary total disablement	0	0	0%	0	0
Permanent disablement	0	0	0%	0	0
Fatal	0	0	0%	0	0
Total	60	5	8%	12	3

Number of days and Cost of Sick Leave (excluding injuries on duty)							
Salary band	Total sick leave	Proportion of sick leave without medical certification	No medical certificates submitted	Employees using sick leave	Total employees in post	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	No.	Days	R' 000
MM and S57	8	0.00	0	2	5	1.60	26
Level 2	104	3.85	4	5	9	11.56	131
Level 3	146	8.22	12	13	26	5.62	167
Level 4	28	35.71	10	9	12	2.33	28
Level 5	124	20.97	26	16	37	3.35	111
Level 6	395	12.66	50	43	53	7.45	319
Level 7	209	11.96	25	29	51	4.10	153
Level 8	632	10.13	64	57	68	9.29	409

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Level 9	954	9.54	91	80	107	8.92	519
Level 10	986	8.92	88	83	108	9.13	450
Level 11	1,413	12.10	171	113	131	10.79	568
Level 12	449	16.26	73	48	117	3.84	161
Level 13	1,066	5.25	56	71	95	11.22	344
Level 14	549	14.21	78	52	74	7.42	161
Level 15	890	10.34	92	82	135	6.59	238
Level 16	454	5.51	25	40	79	5.75	117
Level 17	659	9.10	60	68	155	4.25	167
Level 18	286	9.09	26	22	23	12.43	73
Level 19	6,782	5.75	390	600	1,009	6.72	1,720
Total	16,134	8.31%	1,341	1,433	2,294	7.03%	R 5,863

* - Number of employees in post at the beginning of the year *Average is calculated by taking sick leave in column 2 divided by total employees in column 5



COMMENT ON INJURY AND SICK LEAVE

With regards to injury on duty, Health and Safety representatives were appointed for all departments, and regular checks, reports and advice have reduced sick leave in this instance. Those who were sick due to work related reasons were referred to psychologists through our EAP unit. The EAP unit also conducted awareness campaigns in respect of Cancer, Drug abuse, substance abuse as well as HIV and AIDS during the 2010/2011 financial year to all employees.

The municipality has also established the Occupational Health and Safety Centre where sick officials are referred to. The personnel Administration Unit held regular road shows to advise supervisors on leave management.

Chapter 4

SUSPENSIONS

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Municipal Manager	Multiple allegations of misconduct	10 Augustus 2010	Dismissed following disciplinary action	28 June 2011
Director: Infrastructure & Utilities	Multiple allegations of misconduct	November 2010	Dismissed following disciplinary action	29 November 2011
Deputy Director: HR&LR	Multiple allegations of misconduct	July 2011	Resigned following disciplinary action	18 Jul 2012
Cashier	Failure to conduct with honesty and integrity	November 2011	Dismissed following disciplinary action	January 2011
Cashier	Failure to conduct with honesty and integrity	November 2011	Dismissed following disciplinary action	January 2011
Cashier	Failure to perform her tasks and job responsibilities, diligently, carefully and to the best of her ability	November 2011	Demotion following disciplinary action	January 2011
	Failure to refrain from wilful / negligent behaviour which resulted in damage to Council property			

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
Municipal Manager	Financial and mismanagement – R33,859,190	Disciplinary action finalized: Dismissal	28 June 2011
Director: Infrastructure & Utilities	Financial and mismanagement – R2,399,119	Disciplinary action finalized: Dismissal	29 November 2011
Deputy Director: Human Resource & Labour Relations	Multiple allegations with no financial loss	Disciplinary action taken against him	Resigned
Cashier	Failure to conduct with honesty and integrity R102,767	Dismissed	January 2012
Cashier	Failure to conduct with honesty and integrity R67,895	Dismissed	January 2012
Cashier	Failure to perform her tasks and job responsibilities, diligently, carefully and to the best of her ability R62,940	Demotion	January 2012
	Failure to refrain from wilful / negligent behaviour which resulted in damage to Council property		

Chapter 4

SERVICE STATISTICS OF LABOUR RELATIONS

DETAIL	2009/10	2010/11	2011/12
New Grievances Filed	13	8	12
Grievances Settled	4	3	9
Suspensions	7	8	6
Appeal settled	0	3	0
DC Hearings at Central Committee	33	32	22
Conciliations/Arbitrations	15	19	18
Dismissals	5	7	7
Disciplinary Hearings Outstanding	25	17	18
Local Labour Forum	6	10	6

COMMENTS ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT

Suspensions are affected in terms of clause 14 of the Collective Agreement: Disciplinary Procedure.

Any case of misconduct, inclusive of financial misconduct, is dealt with in terms of the provisions of the Collective Agreement: Disciplinary Procedure. The MFMA also becomes applicable in cases of financial mismanagement.

Council has had a number of cases of financial mismanagement, which cases have all been concluded, inclusive of section 56 employees.

4.4 PERFORMANCE REWARDS

No Performance Rewards were issued during the 2011/12 financial year.

COMMENT ON PERFORMANCE REWARDS

- ◆ In accordance with regulation 32, a performance bonus, based on affordability, may be paid to an employee, after-
 - (1) the annual report for the financial year under review has been tabled and adopted by the municipal council;
 - (2) an evaluation of performance in accordance with the provisions of regulation 23; and
 - (3) approval of such evaluation by the municipal council as a reward for outstanding performance.

No performance rewards was awarded due to the disclaimer opinion raised by the Auditor General.

- ◆ Council has no Personnel Performance Appraisal in place.

Chapter 4

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

As the MSA 2000 section 68 prescribes that it is requirement that municipalities need to develop their own human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

Currently in compliance to the above statement the City of Matlosana has a Training and Development Policy that is approved to ensure that all employees are capacitated/empowered with the necessary information on training and development, which then provides all incumbents access to relevant prioritized training interventions that are needs driven and are aligned to the business objectives by optimally developing the potential of employees.

Furthermore the Municipality in accordance with compliance with the MSA and MFMA has also approved the Supply Chain Management Policy which outlines all procedures to be followed in implementing the human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

The way ahead is that on the improvements to be made is to determine all training needs that are aligned to meeting the operational objectives of the municipality as a whole, take a blanket approached in addressing the skills gaps identified to ensure all employees are competent to perform their functions and be able to exercise their powers in an economical, effective, efficient and accountable way.

Chapter 4

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix										
Occupational Categories	Gender	Employees in post as at 1 July 2011	Number of skilled employees required and actual as at 30 June 2012							
			Learnership		Skills programmes & other short courses		Other forms of training		Total	
		No.	2011/12 Target	Actual Trained	2011/12 Target	Actual Trained	2011/12 Target	Actual Trained	2011/12 Target	Actual Trained
MM and S57	Female	1	0	0	1	1	0	0	1	1
	Male	4	0	0	1	0	0	0	1	0
Legislators, senior officials and managers	Female	8	0	0	3	0	1	2	4	2
	Male	27	0	0	3	1	0	0	3	1
Professionals	Female	32	5	6	22	3	0	0	27	9
	Male	52	4	2	22	10	0	0	26	12
Technicians and associate professionals	Female	42	0	0	23	1	5	3	28	4
	Male	99	0	0	22	0	5	8	27	8
Clerks	Female	261	18	17	58	11	5	3	81	31
	Male	93	5	7	22	1	0	0	27	8
Service and sales workers	Female	43	2	3	40	0	0	0	42	3
	Male	107	3	2	35	3	0	0	38	5
Skilled Agricultural Workers	Female	0	0	0	0	0	0	0	0	0
	Male	10	0	0	2	0	0	0	2	0
Craft and Related Trades	Female	1	2	2	1	3	0	0	3	5
	Male	123	2	2	40	7	0	0	42	9
Plant and machine operators and assemblers	Female	3	2	2	1	2	0	0	3	4
	Male	156	3	3	20	2	0	0	23	5
Total		2,294	113	119	359	49	16	16	488	184

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Elementary occupations	Female	239	1	1	30	2	0	0	31	3
	Male	972	1	2	13	6	0	0	14	8
Temporary Workers	Female	16	0	0	0	0	0	0	0	0
	Male	5	0	0	0	0	0	0	0	0
Sub total	Female	646	28	31	179	21	11	8	218	60
	Male	1,648	15	18	180	28	5	8	200	54
Unemployed	Female	0	44	43	0	0	0	0	44	43
	Male	0	26	27	0	0	0	0	26	27
Total		2,294	113	119	359	49	16	16	488	184

*Registered with professional Associate Body e.g. CA (SA)

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting Officer	1	0	1	0	1	1
Chief Financial Officer	1	0	1	0	1	1
Senior Managers	4	0	4	0	4	3
Supply Chain Management Officials						
Heads Of Supply Chain Management units	1	0	1	0	0	0
TOTAL	7	0	7	0	6	5

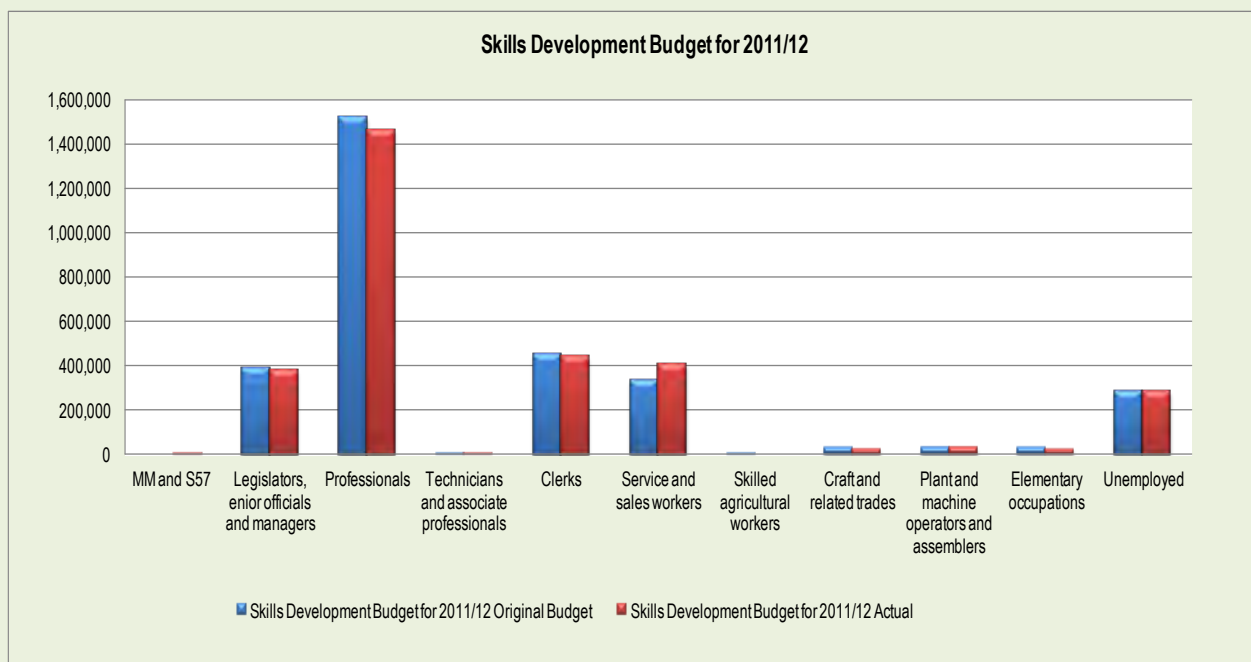
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Skills Development Expenditure										
										R'000
Occupational Categories	Gender	Employees in post as at 1 July 2011	Original Budget and Actual Expenditure on skills development 2011/12							
			Learnership		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	1	0	0	0	385	0	0	0	385
	Male	4	0	0	0	0	0	0	0	0
Legislators, senior officials and managers	Female	8	0	0	0	0	200,000	368,700	200,000	368,700
	Male	27	0	0	8,000	8,064	180,000	0	188,000	8,064
Professionals	Female	32	61,243	55,564	20,500	27,826	190,000	176,402	271,743	259,792
	Male	52	32,994	26,924	30,800	46,034	1,184,610	1,133,641	1,248,404	1,206,599
Technicians and associate professionals	Female	42	0	0	400	385	0	0	400	385
	Male	99	0	0	400	0	0	0	400	0
Clerks	Female	261	94,900	92,376	21,174	28,235	146,000	292,350	262,074	412,961
	Male	93	26,360	28,870	15,262	0	146,000	0	187,622	28,870
Service and sales workers	Female	43	10,593	14,741	500	0	150,000	0	161,093	14,741
	Male	107	15,000	9,828	1,665	1,155	150,000	375,515	166,665	386,498
Skilled Agricultural Workers	Female	0	0	0	0	0	0	0	0	0
	Male	10	0	0	400	0	0	0	400	0
Craft and Related Trades	Female	1	10,000	9,500	1,800	2,310	0	0	11,800	11,810
	Male	123	10,000	9,500	5,800	1,540	0	0	15,800	11,040
Plant and machine operators and assemblers	Female	3	11,000	11,090	1,000	770	0	0	12,000	11,860
	Male	156	16,000	16,004	1,000	770	0	0	17,000	16,774
Elementary occupations	Female	239	10,000	10,584	5,500	770	0	0	15,500	11,354
	Male	972	5,000	4,914	7,500	2,695	0	0	12,500	7,609

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Temporary Workers	Female	16	0	0	0	0	0	0	0	0
	Male	5	0	0	0	0	0	0	0	0
Sub total	Female	646	197,736	193,855	50,874	60,681	686,000	837,452	934,610	1,091,988
	Male	1,648	105,354	96,040	70,827	60,258	1,660,610	1,509,156	1,836,791	1,665,454
Unemployed	Female	0	176,280	170,403	0	0	0	0	176,280	170,403
	Male	0	104,200	110,049	0	0	0	0	104,200	110,049
Total		2,294	583,570	570,347	121,701	120,939	2,346,610	2,346,608	3,051,881	3,037,894

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COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS

Training interventions are targeted for implementation i.e. the Municipal Finance Management Programme; Certificate Programme in Municipal Accounting Programme as well as the CPMD for all finance officials with the deadline 2013.

With regards to the implementation, the municipality has been able to implement the MFMP, Certificate Programme in Municipal Accounting Programme and the CPMD programmes respectively. There were three groups targeted for the Certificate Programme in Municipal Accounting Programme who were declared competent and completed the programme, for the Municipal Finance Management Programme the first intake also has successfully completed the programme. As for the CPMD Programme the group has started in May 2012 and is expected to complete the programme in July 2013.

NATIONAL KEY PERFORMANCE INDICATOR

See page 125 for details.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

Workforce expenditure is a major part of the operational expenditure of the City of Matlosana. As it is mostly a fixed cost, proper planning and assessment of post requirements are necessary to make sure that the best available personnel is employed to meet the mandate of the municipality in service delivery to the community as well as obtaining its objectives.

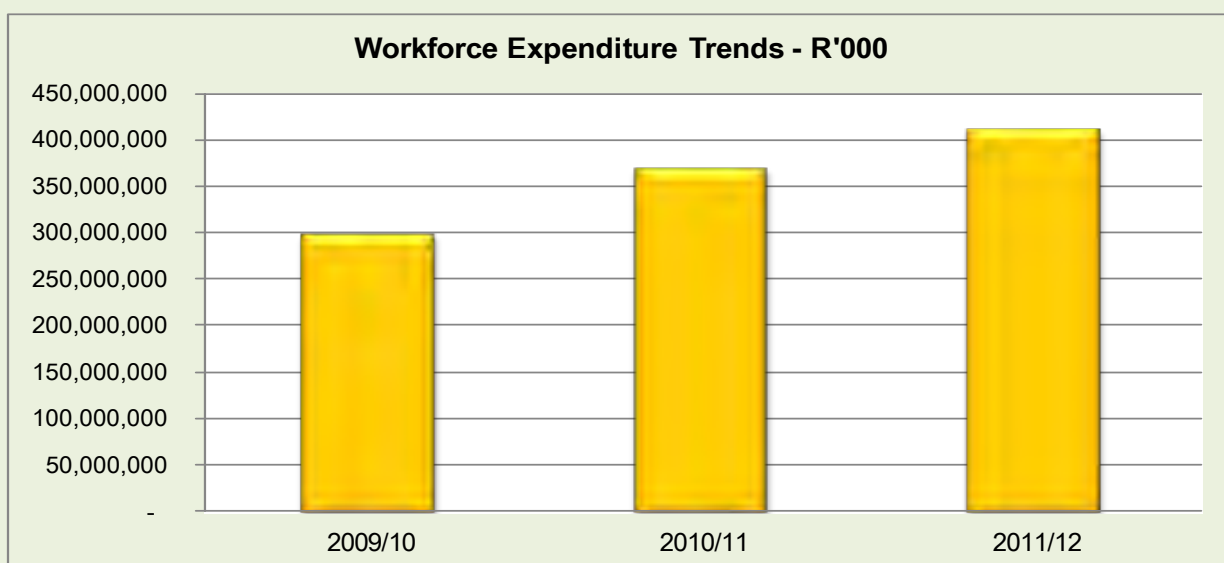
Chapter 4

There is a strong national drive for creating employment and municipalities are one arm of government that normally feels the pressure to create new jobs in its sphere. Although we support the creation of employment and we understand the expectation of the communities in this regard, the financial viability of the City of

Matlosana must be recognized. The creation and filling of posts are budgeted for and measured against the approved budget and operational requirements.

The remuneration part of the employment costs is determined through the bargaining council and therefore out of our hands. Three variables that we have to keep monitoring and control are the vacancy rate, employee performance and overtime paid. We have put a lot of emphases on the monitoring and control of overtime worked as we believe that overtime is only necessary in specific scenarios and can indicate inefficiency or staff shortages (including high absenteeism). Performance management is of utmost importance to increase the efficiency and thus output out of the workforce. There is still a way to go in implementing necessary measures and controls with the necessary buy-in of the employees.

4.6 EMPLOYEE EXPENDITURE



COMMENT ON WORKFORCE EXPENDITURE

The expenditure on employment costs at the City of Matlosana seems to be stable and is in line with other similar municipalities.

The financial interests of the Executive Mayor, Councillors and Senior Management, as required by PM Regulations 805 of 2006 are set out in **Appendix H**.

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Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of four components

Component A: Statement of Financial Performance

Component B: Spending Against Capital Budget

Component C: Cash Flow Management and Investments

Component D: Other financial matters

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

Although the City of Matlosana budgeted for a small surplus, the municipality posted a net loss of R103m (2011 loss: R202m) for the 2012 financial year. This was mainly due to the impairment of the debtors that exceeded the budget to the amount of R 94m.

Another source of concern is the liquidity ratio that shows that we have not made proper progress in servicing our short term debt. Two focus areas will be addressed to rectify the health of the balance sheet: 1. Budget and realizing a profit to offset previous year's deficits 2. Implement strategies to improve debt collection rates (as well as collecting old debt.

See **Appendix I(i) & I(ii)** for statements of Revenue Collection Performance by vote and by source.

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary						
Description	2011	Current: 2012		2012 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	81,286	251,212	251,212	183,247	73%	73%
Service charges	582,695	909,684	855,491	647,801	71%	76%
Investment revenue	58,725	3,757	3,757	42,849	1141%	1141%
Transfers recognised - operational	350,041	307,000	308,236	352,581	115%	114%
Other own revenue	246,691	359,918	289,249	136,563	38%	47%
Total Revenue (excluding capital transfers and contributions)	1,419,439	1,831,571	1,707,946	1,363,040	74%	80%
Employee costs	397,827	371,758	384,383	392,280	106%	102%
Remuneration of councillors	16,748	20,725	19,230	18,523	89%	96%
Depreciation & asset impairment	175,298	180,362	167,566	157,706	87%	94%
Total sources of capital funds	–	–	–	–	%	%

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Finance charges	19,402	18,915	20,508	19,402	103%	95%
Materials and bulk purchases	405,845	496,281	514,981	476,254	96%	92%
Transfers and grants						
Other expenditure	606,513	743,504	601,252	402,478	54%	67%
Total Expenditure	1,621,632	1,831,544	1,707,919	1,466,643	80%	86%
Surplus/(Deficit)	(202,193)	27	27	(103,603)		
Transfers recognised - capital						
Contributions recognised - capital & contributed assets						
Surplus/(Deficit) after capital transfers & contributions	(202,193)	27	27	(103,603)		
Share of surplus/ (deficit) of associate						
Surplus/(Deficit) for the year	(202,193)	27	27	(103,603)		
Capital expenditure & funds sources						
Capital expenditure	–	–	–	–	%	%
Transfers recognised - capital	–	–	–	–	%	%
Public contributions & donations					%	%
Borrowing					%	%
Internally generated funds					%	%
Total sources of capital funds	–	–	–	–	%	%
Financial position						
Total current assets	137,414	–	–	171,947	%	%
Total non-current assets	2,410,292	–	–	2,377,923	%	%
Total current liabilities	339,789	–	–	761,530	%	%
Total non-current liabilities	447,114	–	–	128,239	%	%
Community wealth/Equity	1,760,803	–	–	1,660,101	%	%
Cash flows						
Net cash from (used) operating	175,051	–	–	173,939	%	%
Net cash from (used) investing	(217,184)	–	–	(116,355)	%	%
Net cash from (used) financing	20,351	–	–	(15,083)	%	%
Cash/cash equivalents at the year end	(21,782)	–	–	42,500	%	%
Cash backing/surplus reconciliation						
Cash and investments available	–	–	–	–	%	%
Application of cash and investments	–	–	–	–	%	%
Balance - surplus (shortfall)	–	–	–	–	%	%
Asset management						
Asset register summary (WDV)	2,256,367	–	–	2,221,235	%	%
Depreciation & asset impairment	175,298	–	–	157,706	%	%
Renewal of Existing Assets	–	–	–	–	%	%

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Repairs and Maintenance	73,850	–	–	31,638	%	%
Free services						
Cost of Free Basic Services provided	84,477	99,262	99,262	95,798	97%	97%
Revenue cost of free services provided	–	–	–	–	%	%
Households below minimum service level						
Water:	–	–	–	–	%	%
Sanitation/sewerage:	–	–	–	–	%	%
Energy:	–	–	–	–	%	%
Refuse:	–	–	–	–	%	%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1						

Financial Performance of Operational Services						
						R '000
Description	2010/11	2011/12		2011/12 Variance		
	Actual R	Original Budget R	Adjustments Budget R	Actual R	Original Budget %	Adjustments Budget %
Operating Cost						
Water	266,717	235,754	232,624	23,042,319	98.98%	98.99%
Waste Water (Sanitation)	165,920	102,731	97,952	8,455,843	98.79%	98.84%
Electricity	182,529	474,313	485,262	13,219,478	96.41%	96.33%
Waste Management	64,988	97,563	99,927	12,096,814	99.19%	99.17%
Housing	0	9,840	8,614	6,346,081	99.84%	99.86%
Component A: sub-total	680	920	924	63,161	98.54%	98.54%
Waste Water (Storm-water Drainage)	0	0	0	0	100.00%	100.00%
Roads	162,880	121,857	71,791	5,303,998	97.70%	98.65%
Transport (Licensing)	0	0	0	0	100.00%	100.00%
Component B: sub-total	163	8,455	8,624	9,554	11.50%	9.73%
Planning	13,343	12,141	26,468	1,353,944	99.10%	98.05%
Local Economic Development	13,343	2,062,828	2,264,080	2,339,549	11.83%	3.23%
Component B: sub-total	27	2,075	2,291	3,693	43.82%	37.98%
Planning (Strategic & Regulatory)	12,545,845	10,413,051	11,793,094	11,542,177	9.78%	-2.17%
Local Economic Development	2,354,564	2,189,745	2,425,201	2,401,655	8.82%	-0.98%
Component C: sub-total	14,900	12,603	14,218	13,944	9.62%	-1.97%
Community & Social Services	4,564,885	3,697,557	4,336,641	4,290,992	13.83%	-1.06%
Environmental Protection	5,648,645	4,970,808	6,157,023	4,970,808	0.00%	-23.86%

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Health	5,648,645	4,970,808	6,157,023	4,970,808	0.00%	-23.86%
Security and Safety	5,648,645	4,970,808	6,157,023	4,970,808	0.00%	-23.86%
Sport and Recreation	5,648,645	4,970,808	6,157,023	4,970,808	0.00%	-23.86%
Corporate Policy Offices and Other	5,648,645	4,970,808	6,157,023	4,970,808	0.00%	-23.86%
Component D: sub-total	32,808	28,552	35,122	29,145	2.04%	-20.51%
Total Expenditure	48,578	52,605	61,179	119,497	55.98%	48.80%

5.2 GRANTS

Grant Performance						
R' 000						
Description	2010/11	2011/12		2011/12 Variance		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	91,609	414,928	423,513	351,425	85%	83%
Equitable share	28,381	303,560	303,560	298,960	98%	98%
Municipal Systems Improvement	1,033	790	1,052	481	61%	46%
Department of Water Affairs	–	–	–	–	–	–
Levy replacement	–	–	–	–	–	–
Other transfers/grants	62,195	110,578	118,901	51,984	47%	44%
Provincial Government:	3,012	400	1,600	1,156	29%	72%
Health subsidy	–	–	–	–	–	–
Housing	–	–	–	–	–	–
Ambulance subsidy	–	–	–	–	–	–
Sports and Recreation	432	400	400	351	88%	88%
Other transfers / grants	2,580	–	1,200	805	–	67%
District Municipality:	–	–	–	–	0%	0%
Other grant providers:	–	–	–	–	0%	0%
Total Operating Transfers and Grants	94,621	415,328	425,113	352,581	85%	83%

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.

COMMENT ON OPERATING TRANSFERS AND GRANTS

Operational grants for the financial year under review from national government is on average 83% spent, with the equitable share grant spending at 98%. Spending on provincial grants stands on 72% with some of the grants that council received only in the second half of the financial year.

See **Appendix J**. For other conditional grants received excludes MIG grants.

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COMMENT ON CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES

At the time of reporting on unspent grants for the 2011/12 financial period the municipality have apply for roll-overs from Provincial and National Treasury for all unspent conditional grants.

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The purpose of asset management in the City of Matlosana is to ensure the effective and efficient control, utilization, safeguarding and management of the City of Matlosana's property, plant and equipment and to make managers aware of their responsibilities in regard of property, plant and equipment.

It also set out the standards of physical management, recording and internal controls to ensure property, plant and equipment are safeguarded against inappropriate loss or utilisation and to prescribe the accounting treatment for property, plant and equipment in the City of Matlosana include the following the cost of assets and the calculating of depreciation and capitalising of PPE and to the classification if different types of Assets.

Treatment of the three largest Assets acquired 2011/12				
Asset 1				
Name	Paving of Taxi Routes and Storm-water: Alabama Phase 3			
Description	Paving of Taxi Routes and Storm-water: Alabama Phase 3			
Asset Type	Roads and Storm-water			
Key Staff Involved	PMU			
Staff Responsibilities	PMU			
Asset Value	2008/09	2009/10	2010/11	2011/12
			5,083,965	1,593,531
Capital Implications	Grant funded			
Future Purpose of Asset	Provision for better roads and storm-water			
Describe Key Issues				
Policies in Place to Manage Asset	Yes			
Asset 2				
Name	Paving of Taxi Routes and Storm-water: Khuma Phase 4			
Description	Paving of Taxi Routes and Storm-water: Khuma Phase 4			
Asset Type	Road and Storm-water			
Key Staff Involved	PMU			
Staff Responsibilities	PMU			
Asset Value	2008/09	2009/10	2010/11	2011/12
			4,228,123	2,553,597
Capital Implications	Grant funded			
Future Purpose of Asset	Provision for better roads and storm-water			
Describe Key Issues				
Policies in Place to Manage Asset	Yes			

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Asset 3				
Name	Paving of Taxi Routes and Storm-water: Kanana Phase 4			
Description	Paving of Taxi Routes and Storm-water: Kanana Phase 4			
Asset Type	Road and Storm-water			
Key Staff Involved	PMU			
Staff Responsibilities	PMU			
Asset Value	2008/09	2009/10	2010/11	2011/12
			1,576,294	6,110,584
Capital Implications	Grant funded			
Future Purpose of Asset	Provision for better roads and storm-water			
Describe Key Issues				
Policies in Place to Manage Asset	Yes			

COMMENT ON ASSET MANAGEMENT

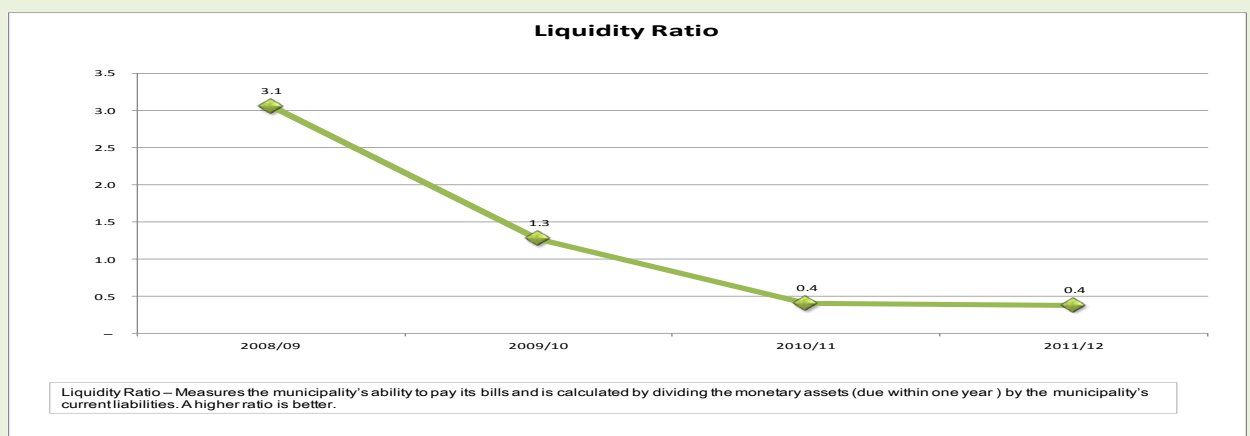
The above projects were driven by the PMU Unit. The grants are received from government to improve infrastructure assets in various areas for better living conditions these assets are grant funded and budget were approved for these capital projects and for audit purposes these assets were signed off with a complete certificate that were obtain from different contractors before these projects could have been signed off for completeness for audit purposes.

Repair and Maintenance Expenditure: 2011/12				
Details	Original Budget	Adjustment Budget	Actual	Budget variance
	R	R	R	%
Repairs and Maintenance Expenditure	66,816	56,374	42,089	37%

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE

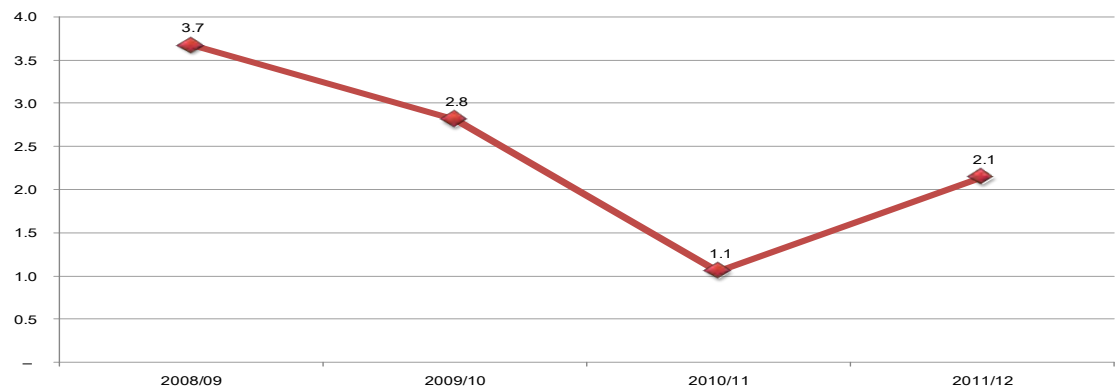
The budget on the repair & maintenance standing at 4% it is below the norm of 20%. Expenditure are very low due to financial constrains.

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



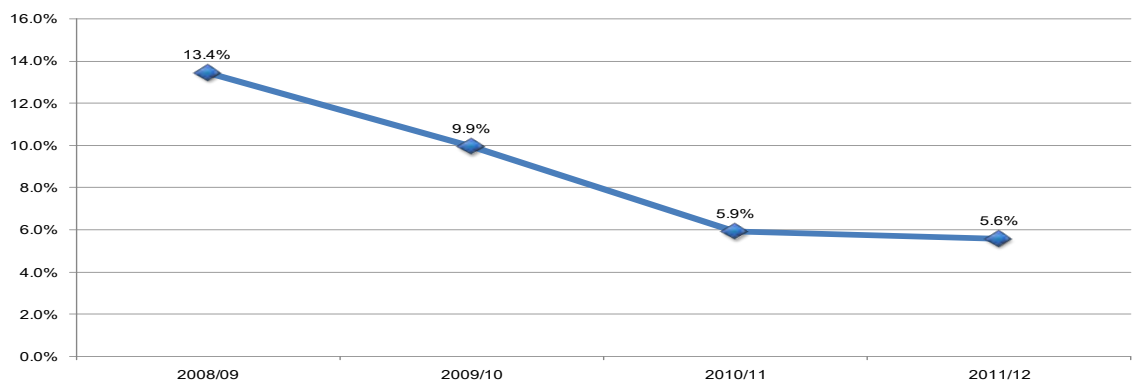
Chapter 5

Cost Coverage



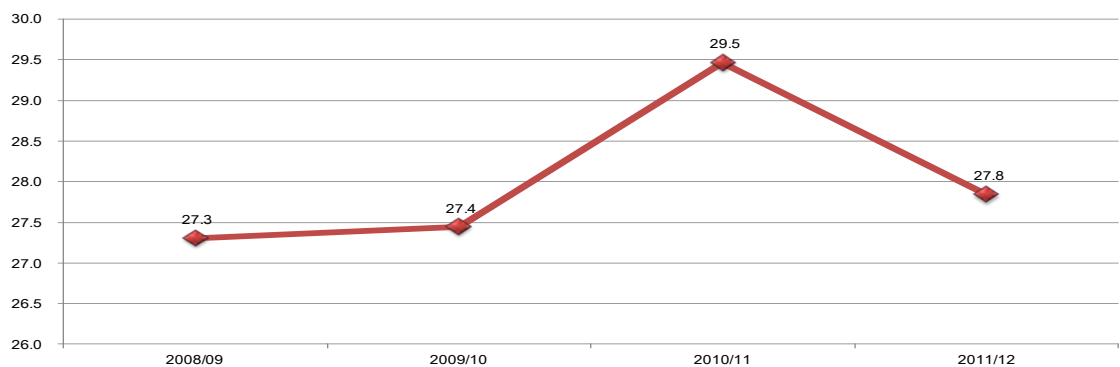
Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Total Outstanding Service Debtors



Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

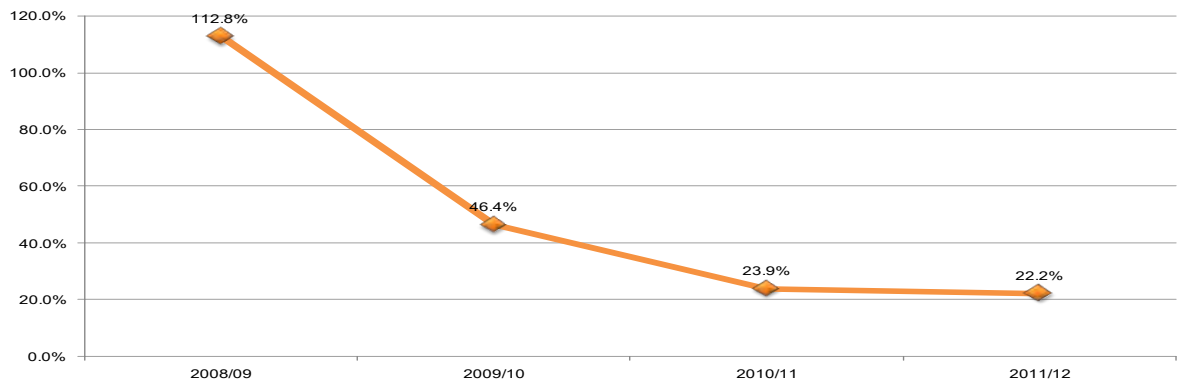
Debt Coverage



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

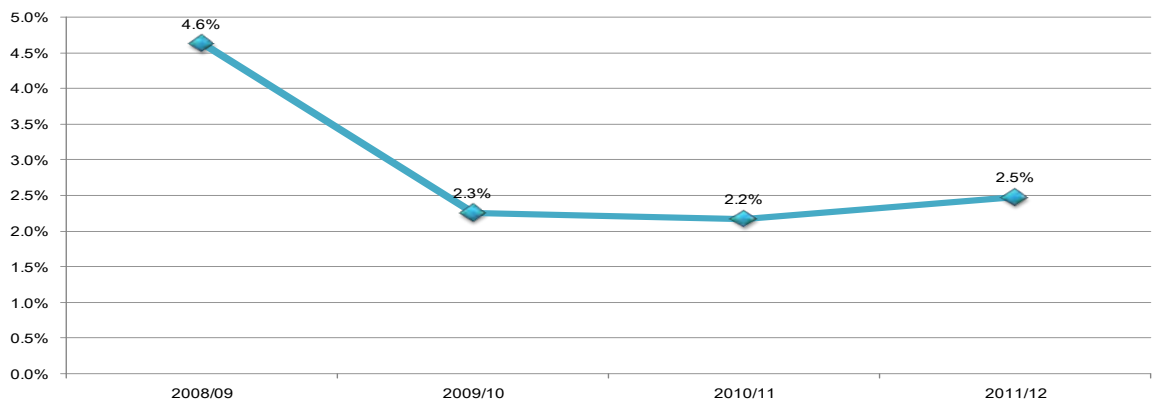
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Creditors System Efficiency



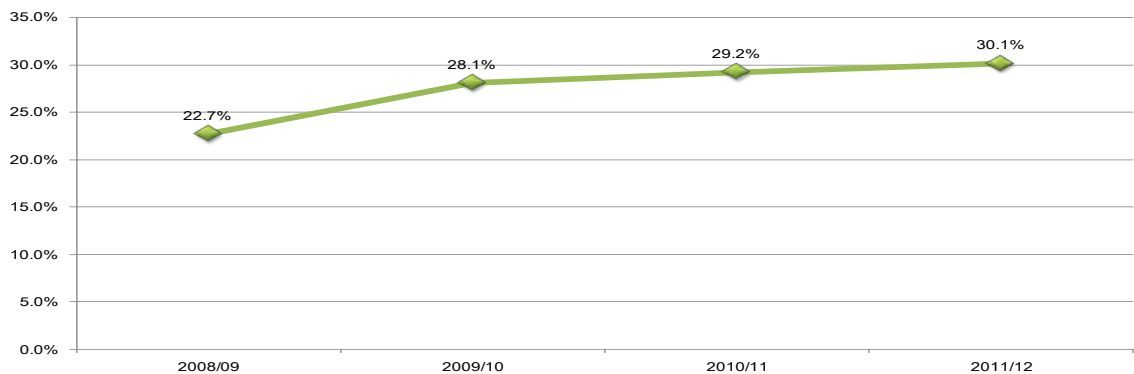
Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases.

Capital Charges to Operating Expenditure



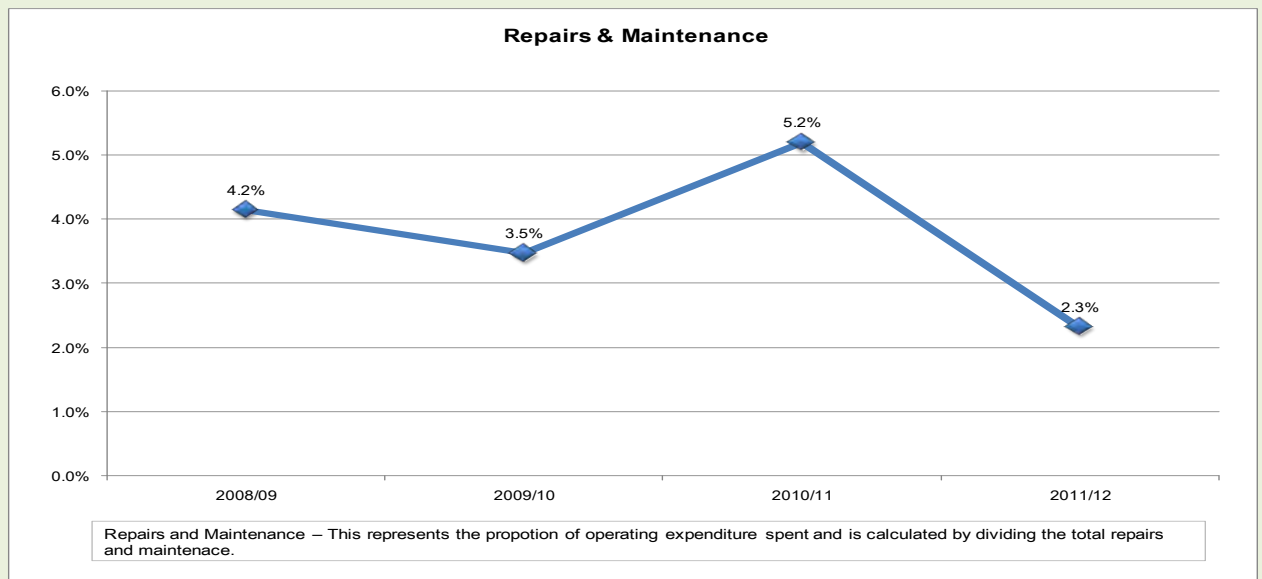
Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Employee Costs



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

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COMMENT ON FINANCIAL RATIOS

The low liquidity ratio reflects the problems faced by the City of Matlosana that manifested due to low debt collection rates (underprovided for) and the slow response thereto in adjusting the spending patterns. Management is now actively addressing the issues and there should be a recovery of the ratio over the next term.

A high cost coverage ratio is necessary in a highly fluctuating income environment as to indicate the ability to cover the expected monthly fixed expenditure costs. Thus although the ratio is low (but recovering) it is not on its own an indicator that shows financial difficulty or not, as the City of Matlosana has a steady income stream. It is expected to increase further from its low point as the recovery plans bear fruit.

The debt coverage ratio was stable during the last four financial periods as the result of stable operating income and the reliance on own income.

Although the ratio for creditors system efficiency is too low (must be at least 100%), we believe the ratio will improve from its obvious turning point. It is a high priority issue for the management as we want to have a great and mutual benefitting relationship with our suppliers and in so doing improving business opportunities within the KOSH area.

The present low reliance on capital funding is reflected in the ratio of capital charges to operating expenditure.

The graph representing the ratios of employee costs to revenue is constant and falls in the ranges that are experienced in the local government sector.

The lower ratio of repairs and maintenance is of concern but cognizance must be taken of the fact that the City of Matlosana had to implement short term measures to improve the cash flow until the medium term and longer term measures improve the financial situation of the City of Matlosana.

NATIONAL KEY PERFORMANCE AREA

See pages 127 – 129 for details.

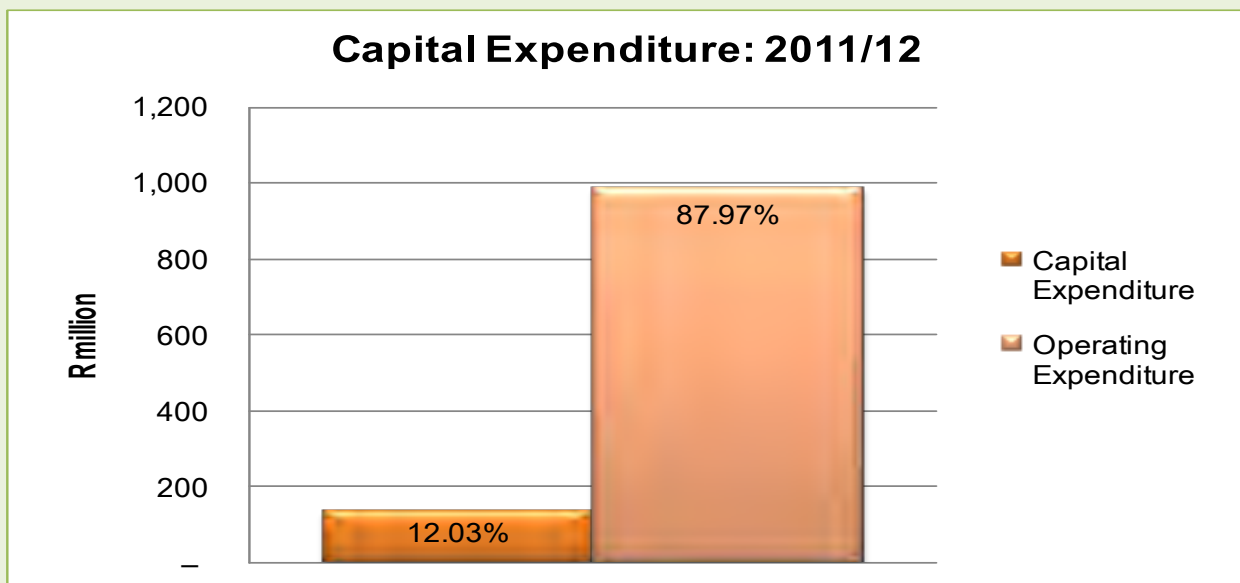
Chapter 5

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

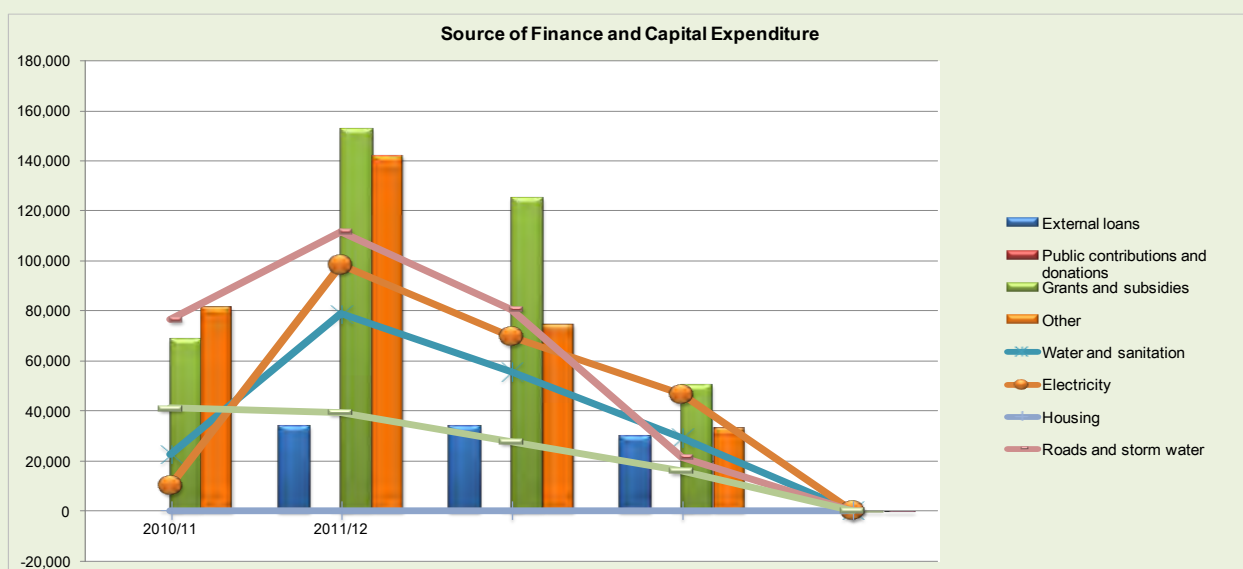
INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Council's capital budget is mainly funded from the MIG and internal funds. For the year under review R33,869 million income from external loans for the new substation Doringkruin and Uraniaville. The biggest MIG funded project was the extension of the Hartebeesfontein Sewer plant.

5.5 CAPITAL EXPENDITURE



5.6 SOURCES OF FINANCE



Chapter 5

Capital Expenditure - Funding Sources: 2010/11 to 2011/12							R' 000
Details	2010/11	2011/12					
	Actual R	Original Budget (OB)	Adjustment Budget R	Actual R	Adjustment to OB Variance (%)	Actual to OB Variance (%)	
Source of finance							
External loans	0	33,689	33,689	29,631	0.00%	-12.05%	
Public contributions and donations	0	0	0	0	0.00%	0.00%	
Grants and subsidies	68,856	152,654	125,168	50,427	-18.01%	-66.97%	
Other	81,513	141,949	74,739	33,271	-47.35%	-76.56%	
Total	150,369	328,292	233,596	113,329	-65.35%	-155.57%	
Percentage of finance							
External loans	0	0	0	0	40.54%	154.79%	
Public contributions and donations	0	0	0	0	0.00%	0.00%	
Grants and subsidies	0	0	1	0	15.23%	-4.31%	
Other	1	0	0	0	-26.00%	-32.10%	
Capital expenditure							
Water and sanitation	22,578	78,790	55,808	29,151	-29.17%	-63.00%	
Electricity	10,163	98,487	69,620	46,685	-29.31%	-52.60%	
Housing	65	0	14	14	0.00%	0.00%	
Roads and storm water	76,455	111,619	80,571	21,479	-27.82%	-80.76%	
Other	41,108	39,395	27,583	16,001	-29.98%	-59.38%	
Total	150,369	328,291	233,596	113,330	-116.28%	-255.74%	
Percentage of expenditure							
Water and sanitation	0	0	0	0	25.1%	24.6%	
Electricity	0	0	0	0	25.2%	20.6%	
Housing	0	0	0	0	0.0%	0.0%	
Roads and storm water	1	0	0	0	23.9%	31.6%	
Other	0	0	0	0	25.8%	23.2%	

COMMENT ON SOURCES OF FUNDING

Other funding that consists mainly from Council funds was reduced in the adjustment budget due to the financial challenges that Council were faced with at that time. Grant funded projects were reduced in line with the MIG implementation plan.

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5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: 2011/12			Variance: 2011/12	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - Upgrading of the 11Kv distribution network - Northern Suburbs	33,869	33,869	29,631	0	0
B - Increasing the holding capacity at the Hartbeesfontein WWTP	20,000	20,000	8,655	1	0
C - Upgrading of the mechanical and electrical equipment and pump stations	13,500	13,500	10,358	0	0
D - Paving of taxi routes and upgrading of storm water drainage system in Kanana (Phase 4)	6,668	6,668	6,110	0	0
E - Supplying bulk water pressure tower (± 10.8m) (phase 2B) to Khuma	9,555	9,555	5,957	0	0
* Projects with the highest capital expenditure in 2011/12					
Name of Project - A	Upgrading of the 11Kv distribution network - Northern Suburbs				
Objective of Project	To upgrade the 11Kv Distribution Network to meet electricity demands				
Delays	Project cancelled due to financial constraints				
Future Challenges	Eskom supplies				
Anticipated citizen benefits	New main substations for Doringkruin and Uraniaville				
Name of Project - B	Increasing the holding capacity at the Hartbeesfontein WWTP (Phase 1) to the capacity from 4Mℓ to 8Mℓ /day				
Objective of Project	To increase the holding capacity at the WWTP in Hartbeesfontein				
Delays	Behind schedule due to late appointment of contractor. Await approval of the multi year project				
Future Challenges	Extension of Hartbeesfontein sewer plant				
Anticipated citizen benefits	Ensure the effluent standards meet the requirements				
Name of Project - C	Upgrading of 6 mechanical and electrical equipment and pump stations (phase 2) (Volume 3)				
Objective of Project	To upgrade Mechanical and Electrical Equipment & Pump stations				
Delays	Waiting for delivery of motors				
Future Challenges	Replace old equipment				
Anticipated citizen benefits	Ensure the maintenance of the existing infrastructure				
Name of Project - D	Paving of 3.43 km taxi routes and upgrading of storm water drainage system in Kanana (Phase 4)				
Objective of Project	To pave taxi routes and upgrade storm water drainage systems				
Delays	Delay due to re-advertisements and late appointment of consultant on 17 April 2012				
Future Challenges	Better road conditions				
Anticipated citizen benefits	Ensure a better accessibility to the community				

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Name of Project - E	Supplying bulk water pressure tower ($\pm 10.8\text{m}$) (phase 2B) to Khuma
Objective of Project	To improve bulk water supply in Khuma (Phase 2)
Delays	Behind schedule due to late appointment of contractor
Future Challenges	Water supply to community
Anticipated citizen benefits	Ensure a basic water service

COMMENT OF CAPITAL PROJECTS

The largest project was for the upgrading the 11 Kv distribution network for the northern suburbs. There are no variances between the adjusted and original budget of the above mentioned projects.

See **Appendix K** for the capital program by project by ward.

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Service Backlogs as at 30 June 2012				
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	157,835	99.1%	1,845	0.9%
Sanitation	158,615	99.3%	1,065	0.7%
Electricity	157,315	98.5%	2,365	1.5%
Waste management	159,680	100.0%	0	0.0%

% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements.

Municipal Infrastructure Grant (MIG)* Expenditure 2011/12 on Service backlogs						
R' 000						
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor
				Budget	Adjustment Budget	
Infrastructure - Road transport						
Roads, Pavements & Bridges	0	0	0	0%	0%	None
Storm-water	0	0	0	0%	0%	None
Infrastructure - Electricity						
Generation	0	0	0	0%	0%	None
Transmission & Reticulation	0	0	0	0%	0%	None
Street Lighting	8,000	-	8,000	0%	0%	None
Infrastructure - Water						
Dams & Reservoirs	7,500	-	7,500	0%	0%	None
Water purification	0	0	0	0%	0%	None
Reticulation	0	0	0	0%	0%	None

Chapter 5

Infrastructure - Sanitation						
<i>Reticulation</i>	3,264	-	3,264	0%	0%	None
<i>Sewerage purification</i>	26,699	-	26,699	0%	0%	Council to counter fund
Infrastructure - Other						
<i>Waste Management</i>	0	0	0	0%	0%	None
<i>Transportation</i>	0	0	0	0%	0%	None
<i>Gas</i>	0	0	0	0%	0%	None
Total	45,463	0	45,463	0%	0%	
* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M						

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Council's cash flow is daily monitored by the Finance Management section. There is also monthly reporting to the mayor in the form of section 71 reports and quarterly reports to Council.

5.9 CASH FLOW

Cash Flow Outcomes					R'000
Description	2011	Current: 2012			
	Audited Outcome	Original Budget	Adjusted Budget	Actual	
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Sales of goods and services	991,386				731,966
Grants	347,708				352,581
Interest	58,725				42,849
Other receipts	275,299				103,001
Payments					
Employee costs	(368,762)				(410,328)
Suppliers	(1,109,845)				(626,727)
Finance Costs	(19,461)				(19,402)
NET CASH FROM/(USED) OPERATING ACTIVITIES	175,051	-	-		173,939
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE					
Decrease (Increase) in non-current debtors					
Decrease (increase) other non-current receivables	-				(2,788)
Decrease (increase) in non-current investments	20				21
Payments					
Capital assets	(217,204)				(113,588)

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NET CASH FROM/(USED) INVESTING ACTIVITIES	(217,184)	–	–	(116,355)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing	19,498			(16,889)
Increase (decrease) in consumer deposits	853			1,806
Payments				
Repayment of borrowing				
NET CASH FROM/(USED) FINANCING ACTIVITIES	20,351	–	–	(15,083)
NET INCREASE/ (DECREASE) IN CASH HELD	(21,782)	–	–	42,500
Cash/cash equivalents at the year begin:	44,323			22,540
Cash/cash equivalents at the year-end:	22,540	–	–	65,041

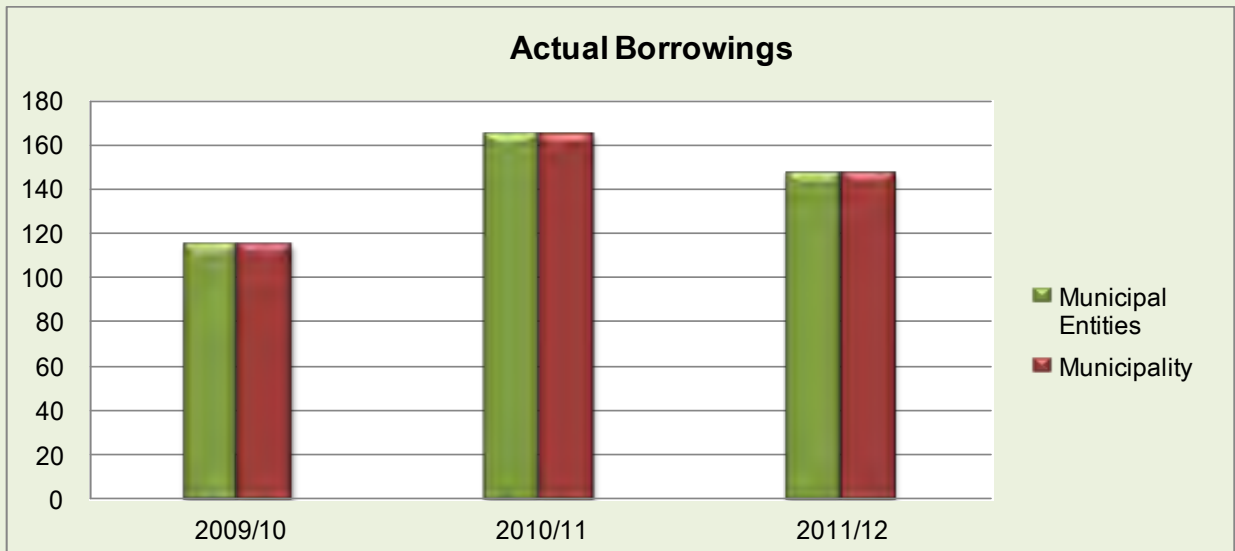
5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Council is in position of approved Investment and Cash Management & Borrowing policies. This is reviewed annually as part of the budget process. According to the investment policy all surplus cash will be invested. Money received for conditional grants is also invested to ensure it is not use for operational purpose. Only when the expenditure accrue for conditional grants the money is transfer to Councils operational account. In the financial year under review no new loans were taken up.

Actual Borrowings: 2009/10 to 2011/12			
	R' 000		
Instrument	2009/10	2010/11	2011/12
Municipality			
Long-Term Loans (annuity/reducing balance)	115	165	147
Long-Term Loans (non-annuity)	-	-	-
Local registered stock	-	-	-
Instalment Credit	-	-	-
Financial Leases	-	-	-
PPP liabilities	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-
Marketable Bonds	-	-	-
Non-Marketable Bonds	-	-	-
Bankers Acceptances	-	-	-
Financial derivatives	-	-	-
Other Securities	-	-	-
Municipality Total	115	165	147

Chapter 5



Municipal and Entity Investments			
	R' 000		
Investment type	2009/10 Actual	2010/11 Actual	2011/12 Actual
Municipality			
Securities - National Government	-	-	-
Listed Corporate Bonds	-	-	-
Deposits - Bank	53,181	39,363	65,060
Deposits - Public Investment Commissioners	-	-	-
Deposits - Corporation for Public Deposits	-	-	-
Bankers Acceptance Certificates	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-
Guaranteed Endowment Policies (sinking)	-	-	-
Repurchase Agreements - Banks	-	-	-
Municipal Bonds	-	-	-
Other	5,490	5,825	6,151
Municipality sub-total	58,671	45,188	71,211
Municipal Entities			
Securities - National Government	-	-	-
Listed Corporate Bonds	-	-	-
Deposits - Bank	-	-	-
Deposits - Public Investment Commissioners	-	-	-
Deposits - Corporation for Public Deposits	-	-	-
Bankers Acceptance Certificates	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-
Guaranteed Endowment Policies (sinking)	-	-	-
Repurchase Agreements - Banks	-	-	-
Other	-	-	-
Entities sub-total	0	0	0
Consolidated total:	58,671	45,188	71,211

Chapter 5

COMMENT ON BORROWING AND INVESTMENTS

No new loans were taken up in the financial year under review. The investment portfolio mainly consists of conditional grant money that was invested. The other investment mainly serves as securities for loans.

The City of Matlosana did not investment in any the form of loans (in cash or kind) or made any grant (in cash or kind) to any form of organisation.

COMPONENT D: OTHER FINANCIAL MATTERS

5.11 GRAP COMPLIANCE

GRAP COMPLIANCE

The City of Matlosana applies GRAP in the compilation of its financial statements. Although every effort is made to comply fully to the GRAP standards applicable, documented issues exist specifically in applying GRAP 17 in relation to assets due to lack of available resources. A plan has been made to address this but full compliance would possibly only be achieved in the 2014 financial year due to the amount of work required.

Chapter 6



Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

The 2011/12 Financial Statements and 2011/12 Annual Performance Report were submitted to the Auditor General on 31 August 2012, as per legislative requirement.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2010/11

6.1 AUDITOR GENERAL REPORTS YEAR 2010/11 (PREVIOUS YEAR)

COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 2010/11

Management is implementing a turn-around strategy to ensure that the objective of a clean audit report is achieved before the Government's deadline of 2014. To this end a Council Resolution has been adopted to approve the Clean Audit Projects, as well as budget and resource allocations. Considerable work has been done, and progress made, but the fact that a clean audit is still to be achieved remains a serious challenge and top priority for the City of Matlosana.

The slow progress is owing to the complex nature of the causes that results in audit matters. These can be summarised as being:-

- ◆ Legacy problems with the amalgamation of previous local authorities into the City of Matlosana, and lost historical data as a result thereof
- ◆ Implementation of new accounting standards such as GRAP 17, IAS 39 and other
- ◆ Critical vacancies and staff as well as skills shortages to cope with existing workloads and simultaneously correct audit matters

However efforts will be increased and more vigorous management focus directed towards corrective actions, as well as more resources employed to ensure proper implementation of clean audit strategies.

Issues raised by the Auditor General have been analysed and classified according to the nature and extent of the causes of the problem. Issues that can be resolved in the ordinary course of business are dealt with by responsible officials. Issues of a more complex nature that relate to organisational or systems deficiencies are allocated to multi functional project teams to ensure a proper holistic solution is implemented. These corrective measures will take longer to implement, but will result in sustainable improvement.

A high level overview of the issues raised by the Auditor General on the 2010 / 2011 Annual Financial Statements [AFS] and the related corrective actions is presented in the table below:-

Chapter 6

Auditor-General Report on Financial Performance: 2010/11	
Audit Report Status:	Disclaimed
Non-Compliance Issues	Remedial Action Taken
The following paragraphs relate to compliance with laws and regulations	
Budget	Budget over-expenditures are being investigated and will be submitted for approval by Council
Annual financial statements, performance and annual report	Overall governance to comply with MFMA and other requirements for preparation and submission of reports is being improved
Procurement and contract management	As noted above a project team has been appointed to implement a solution for procurement and contract management
Expenditure management	Investigations into irregular expenditure will be done under guidance of the Municipal Public Accounts Committee. Procedures and system requirements to improve expenditure control are being investigated.
Asset management	A project team has been appointed to develop a holistic asset management solution for the municipality
Financial misconduct	A process is being implemented to ensure all indications of financial misconduct is being investigated at the appropriate level
Audit committees	The Audit Committee has been appointed and commenced duties
Internal Audit	Internal Audit deficiencies will be corrected under guidance of the Audit Committee
Human resource management and compensation	Senior managers will in future sign annual performance agreements as required.

Auditor-General Report on Service Delivery Performance: 2010/11	
Audit Report Status:	Finding
Non-Compliance Issues	Remedial Action Taken
Predetermined objectives - Reliability of information	An action plan to correct the findings is being prepared and will be implemented

Management has made the following progress with implementation of corrective actions:-

- ◆ Adoption of a Council Resolution to implement a Clean Audit Turn-around strategy
- ◆ Appointment of the Audit Committee and Performance Monitoring Committee
- ◆ Appointment of Project Teams to deal with complex cross functional issues and organisational deficiencies
- ◆ Scheduled meetings of the Project Steering Committee for Operation Clean Audit to obtain feedback and monitor progress.
- ◆ Engage the Auditor General on an ongoing basis to provide guidance on appropriateness of corrective actions
- ◆ Appointment of a service provider to assist with compilation and review of policies and by-laws

Chapter 6

COMPONENT B: AUDITOR-GENERAL OPINION 2011/12

6.2 AUDITOR GENERAL REPORT 2011/12



Auditing to build public confidence

AUDITOR-GENERAL
SOUTH AFRICA

REPORT OF THE AUDITOR-GENERAL TO THE NORTH WEST PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE CITY OF MATLOSANA

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I was engaged to audit the financial statements of the City of Matlosana, which comprise the statement of financial position as at 30 June 2012, the statements of financial performance, changes in net assets and cash flows for the year then ended and notes, a summary of significant accounting policies and other explanatory information as set out on pages 293 to 346.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Because of the matters described in the basis for disclaimer of opinion paragraphs, however, I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for disclaimer of opinion

Property, plant and equipment

4. I was unable to obtain sufficient appropriate audit evidence to confirm the existence, rights, valuation and allocation and completeness of property plant and equipment of R2 221 234 759 (2011: R2 256 367 451). This was due to the inadequate descriptions in the asset register and the lack of a process to recognise each part of

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an item of property, plant and equipment separately as required by SA Standards of GRAP, GRAP 17, *Property, Plant and Equipment*. I was unable to confirm the existence, rights, valuation and allocation and completeness of these assets by alternative means.

Consequently, I was unable to determine whether any adjustment relating to property, plant and equipment in the financial statements was necessary.

5. SA Standards of GRAP, GRAP 17, *Property, Plant and Equipment* require that the useful life and residual value of an asset be reviewed at least at each reporting date. Contrary to this requirement the municipality did not perform a reassessment of useful lives and residual values. I was unable to perform alternative procedures. Consequently, I was unable to satisfy myself as to the valuation of assets of R2 221 234 759 (2011: R2 256 367 451) as disclosed in note 3 to the financial statements or the accuracy, occurrence, completeness, classification and cut-off of the depreciation expense of R157 705 694 (2011: R175 297 775)) as per the statement of financial performance.
6. The municipality's valuation method used to value land, included both the value of the land and the value of the buildings on the land, while the value of the buildings were already accounted for separately, resulting in a duplication. Consequently, land and buildings and the accumulated surplus are overstated by R109 214 505 (2011: R109 214 505).
7. Contrary to SA Standards of GRAP, GRAP 17, *Property, Plant and Equipment*, the municipality did not recognise property, plant and equipment at cost less accumulated depreciation. Consequently, assets totalling R8 964 568 (2011: R38 034 088) were incorrectly expensed. Property plant and equipment are understated by R46 998 656 (2011: R38 034 088) and expenditure is overstated by R8 964 568 (2011: R38 034 088). Additionally, the surplus for the period and accumulated surpluses are understated by R8 964 568 (2011: R38 034 088).
8. I could not obtain sufficient appropriate audit evidence to confirm the valuation and classification of work in progress of R116 877 092. I was unable to confirm the valuation and classification of these assets by alternative means. Consequently, I was unable to determine whether any adjustment relating to work in progress in the financial statements was necessary.

Investment property

9. Properties of R20 750 228 which do not meet the criteria of investment property as per the SA Standards of GRAP, GRAP 16, *Investment Property*, were incorrectly classified as investment property instead of property, plant and equipment. Consequently, investment property is overstated by R20 750 228 (2011: R57 270 973) and property, plant and equipment understated by R20 750 228 (2011: R57 270 973).
10. Properties that meet the recognition criteria of investment properties as per the SA Standards of GRAP, GRAP 16, *Investment Property*, were not included in the asset register as investment properties registered in the name of the municipality and not recognised in the financial statements. Consequently, investment properties and accumulated surplus are understated by R45 655 105 (2011: R92 612 288).

Payables from exchange transactions

11. Due to limitations on the scope of my work imposed by management, I was unable to obtain sufficient appropriate audit evidence to substantiate accruals of R101 865 819 (2011: R19 822 862) and retentions of R18 382 422 included in trade payables and sundry creditors of R88 478 176 (2011: R59 440 984) and R109 408 411 (2011: R91 976 573) respectively as disclosed in note 14 to the financial statements. I was unable to confirm the existence, obligation, valuation and allocation of these creditors by alternative means.

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Consequently, I was unable to determine whether any adjustment relating to trade and sundry creditors in the financial statements was necessary.

12. The municipality did not include all accruals in the financial statements. The municipality did not have adequate systems in place to maintain records of accounts payable for goods and services received but not yet paid for, which resulted in accruals included in sundry creditors and trade payables in note 14 to the financial statements being understated by R66 533 471.

Value added tax (VAT) payable

13. I was unable to obtain sufficient appropriate audit evidence to substantiate the VAT payable of R52 749 080 (2011: R30 045 576) disclosed in note 15 to the financial statements. I was unable to confirm the existence, obligation, valuation and allocation and completeness of this payable by alternative means. Consequently, I was unable to determine whether any adjustment relating to VAT payables in the financial statements was necessary.
14. During 2011 unclaimed VAT of R27 882 045 was not recorded in the accounting records of the municipality resulting in the overstatement of VAT payable by R27 882 045, property, plant and equipment by R2 131 989 and expenditure by R16 049 954 and the understatement of revenue by R5 368 713 and long term liabilities by R4 331 388. My audit opinion on the financial statements for the period ended 30 June 2011 was modified accordingly. My opinion on the current period's financial statements is also modified because of the effect of this matter on the comparability of the current period's figures.

Provisions

15. The municipality did not consider all relevant demographic and financial variables and did not use the projected unit credit method when estimating the provision for long service awards of R144 682 189 (2011: R143 328 045) and continuous medical aid contribution of R131 693 825 (2011: R125 269 449) as required by South African Statement of Generally Accepted Accounting Practice, IAS 19 (AC 116), *Employee Benefits*. Furthermore, the municipality does not have a specific accounting policy that addresses these requirements in their financial statements. The municipality also did not disclose the current and non-current portions separately. I was unable to confirm the valuation of these provisions by alternative means. Consequently, I was unable to determine whether any adjustments relating to the provision for long service awards and continuous medical aid contribution in the financial statements were necessary.
16. The municipality did not correctly account for the provision for rehabilitation of landfill sites in the records of the municipality as required by SA Standards of GRAP, GRAP 17, *Property, Plant and Equipment*. The municipality did not capitalise the present value of future restoration cost. Furthermore, finance cost and depreciation relating to this provision were also not accounted for. Consequently, property, plant and equipment, provision for rehabilitation cost, finance cost and depreciation are understated by R21 260 975 (2011: R21 994 112), R24 801 380 (2011: R23 607 691), R2 440 467 (2011: R2 228 737) and R733 137 (2011: R733 137) respectively. Additionally, the deficit for the period and accumulated surplus are understated by R442 029 (2011: R236 947). The current and non-current portions were also not disclosed separately. I was unable to confirm the valuation and allocation of these provisions by alternative means. Consequently, I was unable to determine whether any adjustment relating to the provision for environmental rehabilitation in the financial statements was necessary.

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Trade and other receivables from exchange transactions

17. I was unable to determine whether the municipality used objective evidence to calculate the amount of impairment of receivables of R55 805 677 (2011: R53 784 995) disclosed in note 7 to the financial statements, as required by the South African Statement of Generally Accepted Accounting Practice, IAS 39 (AC 133), *Financial Instruments Recognition and Measurement*. I was unable to verify the correctness of the valuation of the provision for bad debt on these receivables by alternative means. Consequently, I was unable to determine whether any adjustments relating to provision for bad debt and the debt impairment expense in the financial statements were necessary.
18. Sufficient appropriate audit evidence could not be provided to substantiate debtors of R57 145 345 (2011: R62 479 919) included in receivables from exchange transactions as per note 7 to the financial statements. I was unable to confirm the existence, rights, valuation and allocation and completeness of these debtors by alternative means. Consequently I was unable to determine whether any adjustment relating to trade and other receivables from exchange transactions in the financial statements was necessary.

Consumer deposits

19. The municipality could not provide sufficient appropriate audit evidence for consumer deposits of R23 312 820 (2011: R21 506 788) in the statement of financial position. I was unable to confirm the existence, rights, valuation and allocation of these consumer debtors by alternative means. Consequently I was unable to determine whether any adjustments relating to these balances in the financial statements were necessary.

Unspent conditional grants

20. I could not obtain sufficient appropriate audit evidence to confirm the existence, completeness, valuation and allocation of and the obligation pertaining to the unspent conditional grant of R76 044 287 (2011: R 15 220 774). I was unable to confirm the existence, completeness, valuation and allocation of and obligation pertaining to these liabilities by alternative means. Consequently, I was unable to determine whether any adjustment relating to unspent conditional grants in the financial statements was necessary.

Consumer debtors

21. I was unable to determine whether the municipality used objective evidence to calculate the amount of impairment of receivables of R718 793 776 (2011: R590 273 667) disclosed in note 8 to the financial statements, as required by the South African Statement of Generally Accepted Accounting Practice, IAS 39 (AC 133), *Financial Instruments Recognition and Measurement*. I was unable to verify the correctness of the valuation of the provision for bad debt on these receivables by alternative means. Consequently, I was unable to determine whether any adjustments relating to provision for bad debt and the debt impairment expense in the financial statements were necessary.
22. I was unable to obtain sufficient appropriate audit evidence for receivables of R246 638 171 (2011: R207 221 257) included in consumer debtors of R783 486 451 (2011: R650 841 929) as disclosed in note 8 to the financial statements. I was unable to confirm the existence, rights, valuation and allocation of these consumer debtors by alternative means. Consequently, I was unable to determine whether any adjustments relating to these balances in the financial statements were necessary.
23. During 2011, I was unable to obtain sufficient appropriate audit evidence for bad debts written-off amounting to R72 745 842. I was unable to confirm the expenditure by alternative means. Consequently I was unable to determine whether any adjustments to

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this amount and accumulated surplus were necessary. My audit opinion on the financial statements for the period ended 30 June 2011 was modified accordingly. My opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures.

24. The municipality did not follow the approved debt collection policy as required by Section 96 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA). Consumer debtors were written off in contravention with the debt collection policy. Consequently, consumer debtors are understated by R385 545 148, the deficit for the year overstated by R56 952 (2011: R385 488 196) and accumulated surplus understated by R385 545 148.

Revenue

25. I was unable to obtain sufficient appropriate audit evidence for transfer of reserves and funds, rental income and sale of stands of R50 323 061 (2011: R213 118 312) included in other income of R103 000 692 (2011: R213 838 727) disclosed in the statement of financial performance. I was unable to confirm the occurrence, accuracy and classification of other income by alternative means. Consequently, I was unable to determine whether any adjustments relating to other income in the financial statements were necessary.

Operating expenses

26. I was unable to obtain sufficient appropriate audit evidence to substantiate an amount of R26 114 035 which reduces expenditure, the accuracy of payments for goods and service of R9 790 968 and whether services were received for payments of R7 057 766. I was unable to confirm the occurrence, accuracy, cut-off, classification and completeness of expenditure by alternative means. Consequently, I was unable to determine whether any adjustments relating to operating expenses in the financial statements were necessary.
27. Infrastructure assets were identified during the previous financial year as being double accounted for in the records of the municipality and was subsequently corrected. However, when adjustments were made to correct this error, depreciation on these infrastructure assets were incorrectly included in the corresponding year's depreciation expense of R21 961 286. Consequently, the corresponding amount for operating expenses and property, plant and equipment is overstated by R21 961 286. Additionally, the net deficit for the corresponding financial year is understated by R21 961 286 and accumulated surplus understated by R21 961 286.
28. The municipality did not recognise expenditure when it accrued to the municipality as required by SA Standards of GRAP, GRAP 1, *Presentation of Financial Statements*. An error relating to the overcharging of property rates was incorrectly adjusted by writing off the amount as bad debt in the corresponding year. Consequently, expenditure and the net deficit for the corresponding year are both overstated by R53 121 260.

Accumulated surplus

29. Limitations placed on my audit relating to expenditure, revenue transactions and adjustments made to the accumulated surplus in prior years have not been resolved. In the absence of sufficient appropriate audit evidence to substantiate these transactions and adjustments included in accumulated surplus of R1 654 974 877 (2011: R1 755 677 437), I was unable to verify the completeness, valuation and allocation by alternative means. Consequently, I was unable to determine whether any adjustment relating to accumulated surplus in the financial statements was necessary.

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Cash flow statement

30. The municipality's calculation of net cash flows from operating activities and cash generated from operations did not appropriately account for non-cash items in the cash flow statement. The municipality's records did not permit the application of alternative audit procedures to determine the extent of the misstatement. Consequently, I did not obtain sufficient appropriate audit evidence to confirm the accuracy of the cash flow statement for the current and corresponding year.

GRAP disclosures

31. The municipality did not disclose all material amounts separately in the financial statements as required by SA Standards of GRAP, GRAP 1, *Presentation of Financial Statements*. Material classes of similar items were not presented separately for other income, property, plant and equipment, operating expenses and current liabilities in the financial statements.
32. The municipality did not disclose in the financial statements new SA Standards of GRAP that have been issued, that are not yet effective and that were not applied as required by SA Standards of GRAP, GRAP 3, *Accounting Policies, Changes in Accounting Estimates and Errors*. This fact and the known or reasonably estimable information relevant to assessing the possible impact that application of the new Standard will have on the entity's financial statements in the period of initial application, was not disclosed in the financial statements.

Capital commitments

33. There was no contract management system in place for the identification of authorised capital expenditure and capital commitments. I could not obtain sufficient appropriate audit evidence to substantiate capital commitments of R91 320 532 (2011: R122 182 314). I was unable to confirm the valuation and completeness of capital commitments by alternative means. Consequently, I was unable to determine whether any adjustment relating to capital commitments in the financial statements was necessary.

Irregular expenditure

34. The municipality did not include particulars of irregular expenditure in the notes to the financial statements as required by section 125 of the MFMA. The municipality made payments in contravention of the supply chain management requirements which were not included in irregular expenditure, resulting in irregular expenditure being understated by R25 306 656 (2011: R216 644 630). Additionally, I was unable to
- obtain sufficient appropriate audit evidence for awards of R365 747 278 (2011: R465 189 951) made in terms of the municipality's SCM policy. The municipality's records did not permit the application of alternative procedures. Consequently, I did not obtain sufficient appropriate audit evidence to verify that all material irregular expenditure has been disclosed in the notes to the financial statements.

Material losses

35. The municipality did not disclose the electricity and water distribution losses in the financial statements as required by section 125 (2)(d)(i) of the MFMA. The municipality has no control measures in place to accurately determine the extent of distribution losses. I was unable to determine the amount of these distribution losses by alternative means. Consequently, I was unable to determine whether any adjustment relating to distribution

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losses in the financial statements was necessary.

MFMA Disclosures

36. Section 125(1)(c) of the MFMA requires the disclosure of the total amounts paid in audit fees, taxes, levies, duties and pension and medical aid contributions and whether any amounts were outstanding at the end of the financial year. The amounts for the corresponding year disclosed in note 42 to the financial statements for medical and pension contributions and taxes and levies are incorrect. Medical and pension fund contributions are understated by R7 013 936, taxes and levies paid understated by R6 487 985 and the amount for outstanding audit fees understated by R1 214 394.

Disclaimer of opinion

37. Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

Emphasis of matters

38. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

39. As disclosed in note 35 to the financial statements, the corresponding figures for 30 June 2011 have been restated as a result of errors discovered during 2012 in the financial statements of the municipality at, and for the year ended, 30 June 2012.

Going concern

40. As disclosed in the statement of financial performance in the financial statements the municipality incurred a net loss of R103 602 752 during the year ended 30 June 2012 and, as of that date, the municipality's current liabilities exceeded its current assets by R589 582 550. These conditions, along with other matters as set forth in note 37, indicate the existence of a material uncertainty that may cast significant doubt on the municipality's ability to operate as a going concern.

Unauthorised and Fruitless and wasteful expenditure

41. As disclosed in note 40 to the financial statements, fruitless and wasteful expenditure of R9 688 035 for the current year and R5 720 251 from prior years had not yet been resolved.
42. As disclosed in note 39 to the financial statements, unauthorised expenditure of R481 003 201 from prior years had not yet been resolved.

Additional matter

43. I draw attention to the matter below. My opinion is not modified in respect of this matter.

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Unaudited supplementary schedules

44. The supplementary information set out on pages 347 to 356 does not form part of the financial statements and is presented as additional information. I have not audited these annexures and accordingly, I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

45. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

46. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 119 to 204 of the annual report.
47. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury Framework for managing programme performance information (FMPPI).
48. The reliability of the information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).
49. There were no material findings on the annual report concerning the usefulness and reliability of the information.

Additional matters

50. Although no material findings concerning the usefulness and reliability of the performance information were identified in the annual performance report, I draw attention to the following matters below.

Achievement of planned targets

51. Of the total number of 237 targets planned for the year, 123 of targets were not achieved during the year under review. This represents 52% of total planned targets that were not achieved during the year under review. This was as a result of the institution not considering relevant systems and evidential requirements during the annual strategic planning process

Material adjustments to the annual report

52. Material misstatements in the annual report were identified during the audit, all of which were corrected by management.

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Compliance with laws and regulations

53. I performed procedures to obtain evidence that the municipality has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

Annual financial statements, performance and annual reports

54. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided subsequently, which resulted in the financial statements receiving a disclaimer audit opinion.

Audit committees

55. The performance audit committee did not submit at least twice during the financial year, an audit report on the review of the performance management system to the council, as required by Municipal Planning and Performance Management Regulation 14(4)(a)(iii).

Procurement and contract management

56. Goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations as required by SCM regulation 17(a) & (c).
57. Sufficient appropriate audit evidence could not be obtained that goods and services of a transaction value above R200 000 were procured by means of inviting competitive bids as required by SCM regulation 19(a).
58. Sufficient appropriate audit evidence could not be obtained that bid specifications for procurement of goods and services through competitive bids were drafted in an unbiased manner that allowed all potential suppliers to offer their goods or services, as required by SCM regulation 27(2)(a).
59. Sufficient appropriate audit evidence could not be obtained that bid specifications were drafted by bid specification committees which were composed of one or more officials of the municipality as required by SCM regulation 27(3).
60. Sufficient appropriate audit evidence could not be obtained that invitations for competitive bidding were advertised for a required minimum period of days, as required by SCM regulation 22(1) & 22(2).
61. Sufficient appropriate audit evidence could not be obtained that bids were evaluated by bid evaluation committees which were composed of officials from the municipality requiring the goods or services and at least one SCM practitioner of the municipality as required by SCM regulation 28(2).
62. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders based on points given for criteria that were stipulated in the original invitation for bidding and quotations, as required by SCM Regulations 21(b) and 28(1)(a) and Preferential Procurement Regulations.
63. Sufficient appropriate audit evidence could not be obtained that bid adjudication was always done by committees which were composed in accordance with SCM regulation 29(2).
64. The preference point system was not applied in all procurement of goods and services above R30 000 as required by section 2(a) of the Preferential Procurement Policy Framework Act and SCM regulation 28(1)(a).

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65. Contracts were awarded to bidders based on preference points that were not allocated and calculated in accordance with the requirements of the Preferential Procurement Policy Framework Act and its regulations.
66. Sufficient appropriate audit evidence could not be obtained that contracts and were awarded to bidders that scored the highest points in the evaluation process, as required by of section 2(1)(f) of Preferential Procurement Policy Framework Act.
67. Sufficient appropriate audit evidence could not be obtained that contracts were only extended or modified after tabling the reasons for the proposed amendment in the council of the municipality, as required by section 116(3) of the MFMA.
68. Sufficient appropriate audit evidence could not be obtained that all extension or modification to contracts were approved by a properly delegated official, as required by SCM Regulation 5.
69. The performance of contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.
70. The contract performance and monitoring measures and methods were insufficient to ensure effective contract management, as required by section 116(2)(c) of the MFMA.
71. Contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, as required by SCM regulation 43.
72. Contracts were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c).
73. Persons in service of the municipality whose close family members had a private or business interest in contracts awarded by the municipality failed to disclose such interest, as required by SCM regulation 46(2)(e) and the code of conduct for councillors issued in terms of the MSA.
74. Allegations of failure to comply with the supply chain management system laid against officials were not investigated as required by SCM Regulation 38(1)(b).
75. Prospective providers were not invited to apply for such listing prospective providers list, at least once a year as per the requirements of SCM regulation 14(1)(a)(ii).
76. The municipality did not implement a SCM policy as required by section 111 of the MFMA.
77. Sufficient appropriate audit evidence could not be obtained that all contracts were awarded in accordance with the legislative requirements and that the procurement process is fair, equitable, transparent and competitive, as relevant documentation was not submitted for audit.

Expenditure management

78. Money owing by the municipality was not always paid within 30 days of receiving an invoice or statement, as required by section 65(2)(e) of the MFMA.
79. An adequate management, accounting and information system was not in place which recognised expenditure when it was incurred, accounted for creditors and accounted for payments made, as required by section 65(2)(b) of the MFMA.
80. An effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds, was not in place as required by section 65(2)(a) of the MFMA.
81. The accounting officer did not take effective steps to prevent unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure, as required by section 62(1)(d)

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of the MFMA.

Revenue management

82. An adequate management, accounting and information system was not in place which recognised revenue when it was earned, accounted for debtors and accounted for receipts of revenue, as required by section 64(2)(e) of the MFMA.

Asset management and liability management

83. An adequate management, accounting and information system which accounts for assets was not in place, as required by section 63(2)(a) of the MFMA.
84. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Financial misconduct

85. Investigations were not instituted into all allegations of financial misconduct against officials of the municipality, as required by section 171(4)(a) of the MFMA.
86. Disciplinary proceedings were not instituted against all officials of the municipality, when investigations warranted such a step, as required by section 171(4)(b) of the MFMA.

Waste management

87. The municipality operated some of its waste disposal sites without a waste management license or permit, in contravention of section 20(b) of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008) (NEMWA) and section 20(1) of the Environmental Conservation Act, 1989 (Act No. 73 of 1989) (ECA), while the operational activities on their other waste disposal site(s) contravened or failed to comply with the requirements of a waste management license or permit and the norms and standards in terms of section 67(1)(f) and (h) of the NEMWA and section 29(4) of the ECA.
88. The municipality's waste management and disposal activities contravened or failed to comply with the requirements of section 28(1) of the National Environmental Management Act, 1998 (Act No. 107 of 1998) and sections 16(1)(c)&(d) and 26(1)(b) of the NEMWA.

Internal control

89. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported

below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the basis for disclaimer of opinion and the findings on compliance with laws and regulations included in this report.

Leadership

90. Management failed to timely appoint sufficient appropriately skilled staff in key positions within the finance unit and the training and development initiatives failed to address the underlying deficiencies that caused matters to be repeatedly reported on in the audit report. Policies and procedures did not adequately guide financial and performance activities. Action plans designed to address prior year audit findings as discussed and agreed with municipal public accounts committee and council were not implemented and reflects negatively on management's ability to address recurring audit findings.

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Financial and performance management

91. Management failed to implement effective controls to ensure that information in the financial statements and the report on predetermined objectives were reliable before submission for audit. This was mainly due to the inability of management to address the prior years' audit findings and staff in the finance section not understanding the requirements of the financial reporting framework. The ignorance of management to address the repetitive findings relating to supply chain management regulations is indicative of financial misconduct.

Governance

92. The risks identified during the risk assessment process relating to financial and performance reporting and compliance with laws and regulations were not adequately addressed in the risk management strategy adopted by the municipality. Though the audit committee fulfilled its function, the municipality did not adequately respond to the concerns raised by the audit committee, resulting in the internal control environment over financial and performance information and compliance with laws and regulations being ineffective.

Rustenburg

30 November 2012



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COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 2011/12

Management response and corrective actions taken or to be taken to address issues raised in the 2011/2012 audit report:

Management is implementing a turn-around strategy to ensure that the objective of a clean audit report is achieved before the Government's deadline of 2014. To this end a Council Resolution has been adopted to approve the Clean Audit Projects. Slow progress has been made to date mainly due to the following:

- ◆ Lack of skills and stable leadership, specifically within the Finance department, to implement the clean audit project
- ◆ Legacy problems with the amalgamation of previous local authorities into the City of Matlosana which has a direct impact on numerous audit areas.

Management have made the following progress with implementation of corrective actions;

- ◆ Engage the Auditor General on an ongoing basis to provide guidance on appropriateness of corrective actions
- ◆ Adoption of a Municipal Finance Improvement project as recommended by National Treasury
- ◆ Effective functioning of the audit committee and performance audit committee
- ◆ Appointment of the Chief Financial Officer
- ◆ Review and compilation of the policies and by-laws
- ◆ Revision of the clean audit project

Issues raised by the Auditor General has been analysed to establish its root causes and to come up with corrective action plans. Determined correctives are both short and medium term in nature. Increased effort will ensure that the intended objective is achieved through regular and continuous progress reporting mechanisms.

A high level overview of the issues raised by the Auditor General on the 2011 / 2012 Annual Financial Statements and the related corrective actions are presented in the table below:

<u>Audit Issue</u>	<u>Audit Report [Paragraph]</u>	<u>Corrective Action</u>
Property, plant and equipment	4 – 8	Use of a service provider to assist with GRAP 17 compliance and resourcing of the asset management structure. Implementation of the asset management policy.
Investment property	9 – 10	Use of a service provider to assist with GRAP 16 compliance and resourcing of the asset management structure.
Payables from exchange transactions	11 – 12	Training of employees on accrual basis of accounting and the necessary reconciliations. Continue and expand procedures to clean general ledger that include amongst other: <ul style="list-style-type: none"> ◆ Data cleaning, investigation and write off of unsubstantiated transactions ◆ Proper record keeping of supporting documents ◆ Alignment of procedures with relevant accounting standards System configuration for enhanced classification and reporting of transactions

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Payables from exchange transactions	11 – 12	<p>Training of employees on accrual basis of accounting and the necessary reconciliations.</p> <p>Continue and expand procedures to clean general ledger that include amongst other:</p> <ul style="list-style-type: none"> ◆ Data cleaning, investigation and write off of unsubstantiated transactions ◆ Proper record keeping of supporting documents ◆ Alignment of procedures with relevant accounting standards <p>System configuration for enhanced classification and reporting of transactions</p>
Value added tax (VAT) payable	13 – 14	<p>Perform VAT audit and implement corrective actions.</p> <p>Training of employees on VAT compliance.</p>
Provisions	15 – 16	<p>Classification of current and non-current portion of provisions.</p> <p>Obtain actuarial valuations.</p>
Trade and other receivables from exchange transactions	17 – 18	<p>Continue and expand procedures to clean general ledger and consumer accounts that include amongst other:</p> <ul style="list-style-type: none"> ◆ Data cleaning, investigation and write off of unsubstantiated transactions ◆ Proper record keeping of supporting documents ◆ Alignment of procedures with relevant accounting standards such as the calculation of provisions <p>System configuration for enhanced classification and reporting of transactions</p>
Consumer deposits	19	<p>Updating of consumer records through verification.</p> <p>Revision of consumer deposits in accordance with council policy.</p>
Unspent conditional grants	20	<p>Investigation of all transactions, including prior year opening balances in order to effect the necessary adjustments.</p>
Consumer debtors	21– 24	<p>Continue and expand procedures to clean general ledger and consumer accounts that include amongst other:</p> <ul style="list-style-type: none"> ◆ Data cleaning, investigation and write off of unsubstantiated transactions ◆ Proper record keeping of supporting documents ◆ Alignment of procedures with relevant accounting standards such as the calculation of provisions <p>System configuration for enhanced classification and reporting of transactions</p>

Chapter 6

Revenue	25	Continue and expand procedures to clean general ledger and consumer accounts that include amongst other: <ul style="list-style-type: none"> ◆ Proper record keeping of supporting documents ◆ Alignment of procedures with relevant accounting standards such as the calculation of provisions System configuration for enhanced classification and reporting of transactions
Operating expenses	26 – 28	Continue and expand procedures to clean general ledger and consumer accounts that include amongst other: <ul style="list-style-type: none"> ◆ Proper record keeping of supporting documents ◆ Alignment of procedures with relevant accounting standards System configuration for enhanced classification and reporting of transactions
Accumulated surplus	29	Continue and expand the clean up exercise on the account
Cash flow statement	30	Audit evidence relating to non-cash items will be prepared to support disclosures in the cash flow statement
GRAP disclosures	31 – 32	Amounts are being investigated and these will be correctly disclosed
Capital commitments	33	Systems and procedures are being improved to allow for extraction of relevant data for reporting purposes.
Irregular expenditure	34	Establish controls to prevent and identify irregular expenditure. Investigation of irregular expenditure is in progress.
Material losses	35	A solution to obtain and measure the losses is being investigated
MFMA disclosures	36	Amounts are being investigated and these will be correctly disclosed
Unauthorised and fruitless and wasteful expenditure	41 – 42	Establish controls to prevent and identify irregular expenditure. Investigation of irregular expenditure is in progress.
The following paragraphs relate to compliance with laws and regulations		
Predetermined objectives	46 – 49	An action plan to correct the findings is being prepared and will be implemented
Achievement of planned targets	51	All key directors have been appointed with the exception of the director of municipal & social services which is in the process of being finalised. These appointments will bring stability to all directorates and consequently management and achievement of planned targets
Annual financial statements, performance and annual reports	54	All of the planned actions plans will result in an improvement of the annual financial statements.
Performance Audit committee	55	The audit committee is in place and is functioning effectively including reporting to Council

Chapter 6

Procurement and contract management	56 – 77	<p>The supply management structure including bid committees will be reviewed to facilitate implementation of and compliance with the supply chain management policy.</p> <p>A record management system is being investigated.</p> <p>Continuous training will be provided to supply chain officials, bid committee members and officials in general to promote and ensure compliance with the supply chain policy and regulations.</p>
Expenditure management	78 – 81	<p>Training of employees on accrual basis of accounting and the necessary reconciliation.</p> <p>Continue and expand procedures to clean general ledger that include amongst other;</p> <ul style="list-style-type: none"> ◆ Data cleaning, investigation and write off of unsubstantiated transactions ◆ Proper record keeping of supporting documents ◆ Alignment of procedures with relevant accounting standards <p>System configuration for enhanced classification and reporting of transactions.</p> <p>A debt collection process is under review and corrective actions will be implemented in order to improve our collection.</p>
Revenue management	82	<p>Continue and expand procedures to clean general ledger and consumer accounts that include amongst other;</p> <ul style="list-style-type: none"> ◆ Proper record keeping of supporting documents ◆ Alignment of procedures with relevant accounting standards such as the calculation of provisions <p>System configuration for enhanced classification and reporting of transactions</p>
Asset management	83 – 84	<p>Use of a service provider to assist with GRAP 17 compliance and resourcing of the asset management structure.</p> <p>Implementation of the asset management policy.</p>
Financial misconduct	85 – 86	<p>A process is being implemented to ensure all indications of financial misconduct is being investigated at the appropriate level</p>
Waste management	87 – 88	<p>We are in the process of formalising all the waste management sites and applying for the relevant licenses where applicable.</p>
Leadership	90	<p>Chief Financial Officer is appointed which will stabilise and provide leadership for finance directorate.</p>
Financial and performance management	91	<p>All of the planned actions plans will result in an improvement of the annual financial statements.</p> <p>Training of finance officials on relevant accounting standards.</p>
Governance	92	<p>A dedicated risk management officer has been appointed who will be responsible for the implementation of the risk management plan.</p>

Glossary



GLOSSARY

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> ◆ Service delivery & infrastructure ◆ Economic development ◆ Municipal transformation and institutional development ◆ Financial viability and management ◆ Good governance and community participation

GLOSSARY

Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: <i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

Appendices



APPENDICES

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Council Members	Full Time / Part Time	Committees Allocated	Ward and / or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
MD Mogorosi	PT	Infrastructure	Ward 1	100%	-
MD Mere	PT	Economic Affairs	Ward 2	100%	-
LL Appels	PT	Sports, Arts and Culture	Ward 3	80%	-
BM Plaatjie	PT	Transversal Issues	Ward 4	100%	-
ST Moshapudi	PT	Housing, Land Affairs and Rural Development	Ward 5	100%	-
SD Montoedi	PT	MPAC	Ward 6	80%	-
LV Rothman	FT	Corporate Services	Ward 7	90%	-
NF Nthaba	PT	Corporate Services	Ward 8	100%	-
SL Moremi	PT	Transversal Issues	Ward 9	90%	-
GJ Mohale	PT	MPAC	Ward 10	90%	-
MI Mangesi	PT	Sports, Arts and Culture	Ward 11	90%	-
MM Chao	PT	Electrical Engineering	Ward 12	80%	-
IJ Molebatsi	PT	Public Safety	Ward 13	100%	-
LTA Lenepa	PT	Community & Health Services	Ward 14	90%	-
PJ Swart	PT	Finance and Debt Normalisation	Ward 15	100%	-
A Combrinck	PT	MPAC	Ward 16	90%	-
E Postma	PT	CORS	Ward 17	80%	-
EPJ Nel	PT	Electrical Engineering	Ward 18	90%	-
JJ Le Grange	PT	MPAC	Ward 19	70%	-
MM Booysen	PT	Economic Affairs	Ward 20	90%	-
TB Mpukwana	PT	Corporate Services	Ward 21	100%	-
M Thelejane	PT	Transversal Issues	Ward 22	90%	-
C Mbobo	FT	Sports, Arts and Culture	Ward 23	90%	-
MS Sefika	PT	Electrical Engineering	Ward 24	100%	-
M Phakoe	PT	MPAC	Ward 25	90%	-

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E Lekoala	PT	Transversal Issues	Ward 26	70%	-
BC Matolo	PT	Community & Health Services	Ward 27	100%	-
CJ Bester	PT	Finance and Debt Normalisation	Ward 28	80%	-
SM Steyn	PT	Community & Health Services	Ward 29	100%	-
W JJ Louwrens	PT	Electrical Engineering	Ward 30	80%	-
GA Mohoemang	PT	Transversal Issues	Ward 31	90%	-
RA Matsepe	FT	Infrastructure	Ward 32	70%	-
SL Sithole	PT	Community & Health Services	Ward 33	100%	-
AN Matross	PT	MPAC	Ward 34	90%	-
T Thobedi	PT	Community & Health Services	Ward 35	80%	-
MM Bontsi (ANC)	PT	Finance and Debt Normalisation	PR	90%	-
M Coetzee (DA)	PT	Sports, Arts and Culture	PR	90%	-
LL Cutswa (ANC)	PT	Infrastructure	PR	50%	-
MC Dithejane (ANC)	PT	Corporate Services	PR	100%	-
MF Dlamini (ANC)	PT	Public Safety	PR	80%	20%
NE George (COPE)	PT	MPAC	PR	100%	-
IM Groenewald (FF+)	PT	MPAC	PR	70%	20%
EG Hart (DA)	PT	MPAC	PR	90%	-
IG Hendricks (DA)	PT	Transversal Issues	PR	90%	-
MP Hlaka (DA)	PT	Housing, Land Affairs and Rural Development	PR	100%	-
ME Kgaile (ANC) MMC Human Settlements	FT	Housing, Land Affairs and Rural Development	PR	90%	-
KE Kgang (ANC)	PT	Public Safety	PR	100%	-
GR Kgosi (ANC)	FT	Electrical Engineering	PR	100%	-
MK Khauoe (ANC)	FT	Executive Mayor	PR	90%	-
LM Kortjas (ANC)	FT	Speaker	PR	90%	-
MMS Lee (ANC) MMC Finance	FT	Finance and Debt Normalisation	PR	70%	20%
EJ Legassick (FF+)	PT	Finance and Debt Normalisation	PR	40%	50%
LT Mabunda (ANC)	FT	MPAC	PR	80%	10%
NG Malete (DA)	PT	Public Safety	PR	100%	-
MM Maseko (ANC)	PT	Infrastructure	PR	70%	30%
NS Mendela (ANC) MMC Community & Health Services	FT	Community & Health Services	PR	100%	-

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OM Mogale (ANC)	PT	Finance and Debt Normalisation	PR	80%	10%
MA Motoboli (ANC)	PT	MPAC	PR	40%	50%
ML Mothibedi (ANC) MMC Public Safety	FT	Public Safety	PR	80%	10%
ME Mtimkulu (ANC) MMC Economic Growth	FT	Economic Affairs	PR	90%	10%
SL Nakedi (ANC)	PT	Housing, Land Affairs and Rural Development	PR	100%	-
GS Nkebe (ANC)	FT	Single Whip	PR	90%	10%
PR Poee (ANC) MMC Special Projects	FT	Transversal Issues	PR	90%	10%
GA Ramphela (ANC)	PT	Electrical Engineering	PR	90%	10%
L Robinson (DA)	PT	Economic Affairs	PR	100%	-
KL Ross (DA)	PT	Housing, Land Affairs and Rural Development	PR	80%	10%
MJ Sebata (ANC)	PT	MPAC	PR	30%	50%
MS Sishuba (ANC)	PT	MPAC	PR	100%	-
FI Tagaree (ANC)	PT	Finance and Debt Normalisation	PR	80%	10%

COMMENTS

If the percentage for apologies for non-attendance is lesser than the percentage indicated for attended Council Meeting, it thus means that no apology was received and that the Council Member was absent without leave.

APPENDICES

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Finance and Debt Normalization	Councillors Provide oversight role to all Committees
Housing, Land Affairs and Rural Development	Councillors Provide oversight role to all Committees
Corporate Service	Councillors Provide oversight role to all Committees
Community and Health Services	Councillors Provide oversight role to all Committees
Sports, Arts and Culture	Councillors Provide oversight role to all Committees
Public Safety	Councillors Provide oversight role to all Committees
Transversal Issues	Councillors Provide oversight role to all Committees
Infrastructure	Councillors Provide oversight role to all Committees
Electrical Engineering	Councillors Provide oversight role to all Committees
Economic Growth and Marketing	Councillors Provide oversight role to all Committees

APPENDICES

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager
Deputy Director : Office of the Municipal Manager	Marumo M.E.
Deputy Director : Civil Engineer	Vacant
Deputy Director : Electrical Planning and Municipal Services	Rannona K.D.
Deputy Director : Electrical Distribution and Maintenance	Vacant
Deputy Director : Community Services	Masilo M.J.
Deputy Director : Sport, Arts and Culture	Vacant
Deputy Director : Public Safety	Marais A.J.S.
Deputy Director : Corporate Services	Ciya D.N.
Deputy Director : Data and IT	Mphuthi S.S.
Deputy Director : Human Resource and Labour Relations	Nteo T.G.
Deputy Director : Office Of The Executive Mayor	Baholo N.
Deputy Director : Income and Expenditure	Makgale R.T.
Deputy Director : Budget and Treasury Office	Vacant
Manager PMU	Vacant

APPENDICES

APPENDIX D – FUNCTIONS OF MUNICIPALITY

MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*
Constitution Schedule 4, Part B functions:	
Air pollution	No
Building regulations	Yes
Child care facilities	No
Electricity and gas reticulation	Yes
Firefighting services	Yes
Local tourism	Yes
Municipal airports	Yes
Municipal planning	Yes
Municipal health services	No
Municipal public transport	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Storm water management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Beaches and amusement facilities	No
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	No
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	No
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

APPENDICES

APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
# 01	CLR MD MOGOROSI MF Mosibi G Mqikela J Motsumi JG Modutwane JM Setlogelo	Y	3	3	8
# 02	CLR MD MERE BL Eksteen BP Morwane L Solane SJ Dial K Serapelo M Stuurman M Williams E Bonde Z Monone M Mnyamanni	Y	4	4	0
# 03	CLR LL APPELS J Sei MM Edmunds CA Petersen N Jacobs MA Thore C Le Ray GR Steytler H Appels AJ Koopman	Y	1	1	0
# 04	CLR BM PLAATJIE MJ Makhwele YM Malgas ED Ntomo SE Majoro OM Mojaki NE Mvelo GM Pakwe RK Motolo	Y	3	3	4
# 05	CLR ST MPSHAPUDI PD Motaung PW Makoro ZM Bikauri TD Qushekile T Kgokong KP Mogale VP Mabunda SB Ngake MF Tladi	Y	3	3	7
# 06	CLR SD MONTOEDI ML Segoe MR Antone MP Ntwanngwe MG Nkgoang TF Dlamini TS Molaoa PO Mothibedi MC Dikwidi KA Lekhetho NP Dithlareng	Y	6	6	3
# 07	CLR LV ROTHMAN M Matebele LC Ngeno TD Motlathledi J Taunyane MG Harmse PA Mogogane LS Dumisa D Sematle W Goshupelwang	Y	3	3	5

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# 08	CLR NF NTHABA KM Mabankwe KE Mei KL Dire SE Gaolebe NB Mdingi D Mofokeng T Majelenyane BT Mocumi JP Selepe KB Kgotle	Y	7	7	10
# 09	CLR SL MOREMI KM Tshobeka O Phafane ZA Magwaca KA Moleme S Maleho JD Nqakumbana KA Khetsi PT Lolwane AM Mohlala	Y	4	4	6
# 10	CLR GJ MOHALE TV Mkgashane ZC Bekezulu DI Mere LE Motitimi MR Monyemore NG Mbadla JA Ndakane TJ Nche TJ Serei VE Mokgatle	Y	3	3	7
# 11	CLR MI MANGESI NC Menze DR Simango NM Mthwa MJ Melato RE Segometso K Motjale M Mosiane C Tyatya PV Senatle MP Montshioagae	Y	2	2	4
# 12	CLR MM CHAO RM Mojaki M Mvala PTP Pretorius K Gaeje JK Maponya GD Moshwang KE Mabebe ME Sekhonyane LD Mphungu LB Modimonyane	Y	4	4	5
# 13	CLR IJ MOLEBATS VM Zozi S Tsatseng B Moss KE Manonye ND Bokland MD Maleho SSG Mphandane DC Phuthi H Mboekae N Xungu	Y	8	8	4
# 14	CLR LA LENEPA OB Modutlwa ML Tshiping N Theko SC Phakoe S Mhlaka MD Ndlala SJ Mathosa RN Mnenno SN Jaars DM Phoko	Y	3	3	7
# 15	CLR PJ SWART GLJ Cromhout DL Motsamai DM Moleme M Motingoa MH Mynhardt ME Gouws J Walker PJ Smit DDM Serfontein MM Moeng	Y	1	1	0

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# 16	CLR A COMBRINK SCB Symington GT Greyvenstein ME Moyakhe KOA Nelson E Rheeder S Postma MR Mokwena PJJ Scheepers HJP Knoetze R de Wet	Y	5	5	0
# 17	CLR E POSTMA A van Aarde D Schaffler JL Muller J du Plessis JJC Smit W Lillie S Foley A de Klerk	Y	2	2	0
# 18	CLR EPJ NEL A Nienaber WE Diedericks M Venter LSD van Deventer AS Diedericks A Coetzee E Cronje VE Delpont FJ Stander TJ Smith	Y	0	0	0
# 19	CLR JJ LE GRANGE A Bester PF Maano AME Gunter CA Oosthuyzen PF Roux JGR Bornman MCJ le Grange HM Cox ACJ Visagie MCJ Scholtz	Y	10	10	0
# 20	CLR MM BOOYSEN SM Motlhaoleng TC Oageng JI Temba MM Moroenyane ML Duiker ME Kamati TE Mosenohi KM Gaanewe EN Maloka SS Mokati	Y	9	9	10
# 21	CLR B MPUKWANA S Nongqayi VM Nhose T Batyie SG Sekgopi JS Biyela KA Lobaleng TT Mathinyane LH Khanyile BL Fudukile AR Chacha	Y	1	1	0
# 22	CLR M THELEJANE MJ Selahla TF Sibidla N Paul OA Mpholo NL Sikwana FS Santho MM Rachere OS Setlhare ZN (Butie) Tshabalala AN Ludidi	Y	6	6	8
# 23	CLR C MBOBO NN Mbobo SH Nani TE Katje / Secretary NJ Mphatse KS Maetla P Madiba TL Maunatlala DK Molutsi LJ Mohlabi N Boo	Y	3	3	7

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# 24	CLR MS SEFIKA SS Seboko MA Motitimi MK Maanya ME Modukanele SL Tayi TM Mabulela EK Mashwenyana BJ Seleke	Y	6	6	15
# 25	CLR M PHAKOE CZ Mtyelwa KA Tsotsotso SM Botsielo MA Mpedi RM Fusa BL Marera KM Kotola N Mphotywa RJ Masita KF Letlole	Y	3	3	4
# 26	CLR E LEKOALA NM Ndindwa MP Madaka MA Mokgatla MJ Lesupi NP Phatho MV Lekgari CJ Mtheto ME Sekgejane VP Mfene / Secretary TA Tshotyane / Resigned 06/02/2012	Y	3	3	9
# 27	CLR BC MATOLO II Mathambo M Setheeso M Finnis RS Duiker TE Moahloli MH Kgapola MJ Mothibi DL Galeboe MG Saul MS Grabey	Y	6	6	9
# 28	CLR CJ BESTER P Kotze De Gratia Masedi P Scholtz M Paralie L Mtingane M Maine G Molekele LP Mokebe J Holtzhausen HJ van Straaten	Y	0	0	0
# 29	CLR SM STEYN PI Baas J Tenza CJ Potgieter MH Gideon S Fourie MM Serei MM Budd GD Nonjoli N Mkwentane S Mgemane	Y	6	6	1
# 30	CLR WJJ LOUWRENS TV Jonas M A Sinetile AQ Ndamase JD Reid A Kasha PN Fibiger G Kaka FC Barrows G Mokhele H Mbele	Y	6	6	1
# 31	CLR GA MOHOEMANG DN Nambane EK Mqhedlana CG Setlhabi MD Masiki SM Matsipe K Njovane DB Magosi EG Mokalane SM Khimbili	Y	4	4	4

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# 32	CLR RA MATSEPE KL Mokgoro S Dayimani N Mpholo M Mochochoko DE Badenhorst KI Duiker OE Mokgoro MM Lebitso FM Mashoba	Y	2	2	1
# 33	CLR SL SITHOLE DL Direko SR Teme SB Nyilongo J Qankase GA Qabaka MD Sereko D Dlamini ME Rabase NP Ndawo DP Moitse	Y	4	4	14
# 34	CLR AN MATROSS BN Gingxana MA Makgale MA Thipampeng RK Ponisi LF Makume GN Matheta TE Msikinya SM Sithole MP Maquaza A Latha	Y	1	1	7
# 35	CLR T THOBEDI SJ Daemane CN Khumalo EG Tsie E Oliphant MD Hani AM Chabalala LM Ratlhogo ZH Nthethwa MM Huna O Letlhoo	Y	4	4	4

APPENDICES

APPENDIX F – BASIC SERVICE PROVISION

Basic Service Provision				
Detail	Water	Sanitation	Electricity	Refuse
Formal Settlement				
Households with minimum service delivery	157,835	156,040	156,530	159,680
Households without minimum service delivery	1,845	1,065	0	0
Total Households	159,680	157,105	157,315	159,680
Informal Settlements				
Households with minimum service delivery	0	2,575	785	0
Households without minimum service delivery	0	0	1,109	0
Total Households	0	2,575	1,894	0
Total	159,680	159,680	159,680	159,680

APPENDICES

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2011/12

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 2011/12	Recommendations adopted (enter Yes) If not adopted (provide explanation)
23 November 2011	Skills audit	Yes
	Capacity assistance from National Treasury, Provincial Treasury, COGTA and DBSA	
	Debt Restructuring	
	Bad Debts of Officials	
10 February 2012	Creation of Chief Audit Executive and Chief Risk Officer	Yes
	Capacitating Internal Audit Activity	

APPENDICES

APPENDIX H – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2011 to 30 June 2012		
Position	Name	Description of Financial interests* (Nil / Or details)
Municipal Manager	Mr ET Motsemme	Ogodisen Consulting - No Income Botho Diamond Mining - No Income Bakomoso Utilities Training - No Income Ross Precious Management Training - No Income
Chief Financial Officer	Mr MK Kgauwe	K Capital Driving School - 100% Shares
Other S57 Officials		
Director: Corporate Services	Mr AG Strydom	Real Investment CC - 20% 13St Ellen Grootbrak - Section Title R 350 000 Erf 1942 Orkney - R 900 000
Director: Electrical and Mechanical Services	Mr WJ Viljoen	CC Member Everwatt Consulting Eng CC Member Everwatt Safety Consultants House Lahoff - R 850 000 House Flamwood - R 900 000 Erf Flamwood - R 180 000 Erf Flamwood - R 280 000
Director: Macro City Planning and Development	Mr SG Mabuda	House Jouberton - R 350 000 House Doringkruin - R 800 000 House Adamayview - R 900 000
Director: Strategic Planning, Monitoring and Control	Ms LM Ramorola	Flat Klerksdorp - R 320 000
* Financial intersests to be disclosed even if they incurred for only part of the year		

APPENDICES

APPENDIX I: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX I (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
Vote Description	R' 000					
	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Public Safety	79,917	88,564	87,938	78,341	-13.05%	-12.25%
Health Services	250	348	348	49	-610.20%	-610.20%
Community Services	119,935	119,166	122,766	124,493	4.28%	1.39%
Housing	1,063	2,832	4,570	3,027	6.44%	-50.97%
Sports Arts & Culture	27	1,460	2,960	931	-56.82%	-217.94%
Council General	28,816	9,613	15,619	14,108	31.86%	-10.71%
City Civil Engineer	334,467	337,131	344,047	213,380	-58.00%	-61.24%
City Electrical Engineer	377,266	573,241	509,253	419,891	-36.52%	-21.28%
Corporate Services	1,730	224	244	-	0.00%	0.00%
Financial Services	462,516	685,081	604,309	493,236	-38.90%	-22.52%
Market	13,453	13,909	15,909	15,584	10.75%	-2.09%
LED	-	-	-	-	-	-
Total Revenue by Vote	1,419,440	1,831,569	1,707,963	1,363,040	-34.37%	-25.31%

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APPENDIX I (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
R' 000						
Description	2010/11	2011/12			2011/12 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	181,286	251,212,440	251,212,440	183,247,000	-37.09%	-37.09%
Service charges	582,695	909,683,714	855,491,135	647,801,000	-40.43%	-32.06%
Investment revenue	58,725	3,756,500	3,756,500	42,848,631	91.23%	91.23%
Transfers recognised - operational	350,041	307,000,000	308,236,396	352,581,000	12.93%	12.58%
Other own revenue	246,692	359,918,409	289,249,490	136,562,369	-163.56%	-111.81%
Total Revenue (excluding capital transfers and contributions)	1,419,439	1,831,571,063	1,707,945,961	1,363,040,000	-34.37%	-25.30%
Employee costs	397,827	371,757,837	380,727,937	392,280,000	5.23%	2.94%
Remuneration of councillors	16,748	20,725,097	19,225,097	18,523,000	-11.89%	-3.79%
Depreciation & asset impairment	175,298	180,361,966	166,161,966	157,705,694	-14.37%	-5.36%
Finance charges	19,461	18,914,824	21,107,019	19,402,000	2.51%	-8.79%
Materials and bulk purchases	405,845	496,280,517	514,980,517	476,254,000	-4.21%	-8.13%
Transfers and grants	-	-	-	-		
Other expenditure	606,453	743,503,679	605,716,282	402,478,306	-84.73%	-50.50%
Total Expenditure	1,621,632	1,831,543,920	1,707,918,818	1,466,643,000	-24.88%	-16.45%
Surplus/(Deficit)	-202,193	27,143	27,143	-103,603,000	100.03%	100.03%
Transfers recognised - capital						
Contributions recognised - capital & contributed assets						
Surplus/(Deficit) after capital transfers & contributions	-202,193	27,143	27,143	-103,603,000	100.03%	100.03%
Share of surplus/ (deficit) of associate						
Surplus/(Deficit) for the year	-202,193	27,143	27,143	-103,603,000	100.03%	100.03%
Capital expenditure & funds sources						
Capital expenditure	-	-	-	-		
Transfers recognised - capital	61,773	108,328,000	109,528,000	50,426,905	-114.82%	-117.20%
Public contributions & donations	-	-	-	-		
Borrowing	-	-	-	29,632,000	100.00%	100.00%
Internally generated funds	88,597	97,831,000	33,576,000	33,271,899	-194.03%	-0.91%
Total sources of capital funds	150,370	206,159,000	143,104,000	113,330,804	-81.91%	-26.27%
Financial position						
Total current assets	204,429	1,081,494	524,762	171,947	-528.97%	-205.19%

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Total non- current assets	2,342,603	2,342,603	2,503,114	2,377,923	1.49%	-5.26%
Total current liabilities	639,333	553,032	553,032	761,530	27.38%	27.38%
Total non-current liabilities	147,570	140,000	140,000	889,769	84.27%	84.27%
Community wealth/Equity	-	-	-	-		
Cash flows						
Net cash from (used) operating	1,673,118,711	734,663	459,532	1,230,395	40.29%	62.65%
Net cash from (used) investing	-217,184,213	-11,656	-11,656	-116,355,330	99.99%	99.99%
Net cash from (used) financing	20,350,951	1,751	186,889	-15,082,970	100.01%	101.24%
Cash/cash equivalents at the year end	22,540,456	664,915	574,922	65,040,858	98.98%	99.12%
Cash backing/surplus reconciliation						
Cash and investments available	22,540,456	179,100	179,100	65,040,858	99.72%	99.72%
Application of cash and investments	281,685,248	-355,120	334,641	389,594,651	100.09%	99.91%
Balance - surplus (shortfall)	-259,144,792	534,220	-155,541	-324,553,793	100.16%	99.95%
Asset management						
Asset register summary (WDV)	2,324,768			2,356,068	100.00%	100.00%
Depreciation & asset impairment	175,297	180,362	166,861	157,705	-14.37%	-5.81%
Renewal of Existing Assets	-	-	-	-		
Repairs and Maintenance	73,850	66,816	61,638	31,637	-111.20%	-94.83%
Free services						
Cost of Free Basic Services provided	84,477,332	99,262	99,262	95,797,667	99.90%	99.90%
Revenue cost of free services provided	-	-	-	-		
Households below minimum service level						
Water:	16,770	19,124	19,124	19,124	0.00%	0.00%
Sanitation/sewerage:	23,076	25,488	25,488	24,675	-3.30%	-3.30%
Energy:	9,717	16,301	16,301	15,317	-6.42%	-6.42%
Refuse:	34,195	37,170	37,170	36,656	-1.40%	-1.40%
Total Revenue (excluding capital transfers and contributions)	1,640,152,059	7,744,938,920	7,123,733,626	5,742,773,295	-34.86%	-24.05%

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APPENDIX J: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG during 2011/12						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant						
N/A	0	0	0	0%	0%	
Financial Management Grant	1,250	1,250	1,250	0%	0%	None
Municipal System Improvement Grant	790	1,052	1,052	33%	0%	None
Equitable Share	303,560	303,560	298,960	-2%	-2%	None
Sports and Recreation	400	400	400	0%	0%	None
Expanded Public Work Programme	0	1,735	1,735	0%	100%	None
Fire Grant	0	1,200	1,200	0%	100%	None
Total	306,000	307,998	304,597	0%	-1%	None

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APPENDIX K – CAPITAL PROGRAMME BY PROJECT BY WARD 2011/12

Capital Programme by Project by Ward: 2011/12		
Capital Project	Ward(s) affected	Works completed (Yes/No)
Water		
Khuma Bulk Water Phase 2B - Pressure Tower	31-35	YES
Refurbishment of the Zink Tank: Tigane Ext. 4	1+2	NO
Sanitation/Sewerage		
Upgrading of Sewer Pump line in Khuma (Phase 2)	31-35	YES
Increase Capacity - Hartbeesfontein WWTP (Phase 1) (Civil)	1+2	YES
Upgrading of Orkney WWTP - Phase 5 Additional Work	28-29	YES
LED		
KOSH - Building of Flea Market Shelters for Entrepreneurs (Phase 3)	30,18,28,29	NO
Roads and Storm-water		
Paving taxi routes Jouberton (Phase 4B)		NO
Paving of taxi routes Jouberton (Phase 3B)	21-23	YES
Paving taxi routes Kanana (Phase 4)	20,22-27	YES
Paving taxi routes Khuma (Phase 4)	31-35	YES
Paving taxi routes Tigane (Phase 4)	1-2	YES
Paving taxi routes Alabama (Phase 3)	3-4	YES
Kanana-Paving of Taxi Routes and Storm Water Drainage - Lenong Road (Phase 2B)	23,26	NO
Kanana - Paving of Taxi Routes (Phase 1)	20,22-27	YES
Khuma - Stone Pitching of Open Storm Water Channels (Phase 1)	31-35	YES
Alabama-Paving of Taxi Routes (Phase 4)	3-4	NO
Tigane-Paving of Taxi Routes (Phase 5)	1-2	NO
Main Storm-water Drainage - Jouberton (Phase 3)	4-14	NO
Jouberton-Paving of Taxi Routes (Phase 5)	4-14	NO
Kanana-Paving of Taxi Routes (Phase 5)	20,22-27	NO
Khuma-Paving of Taxi Routes (Phase 5)	31-35	YES
Electrical		
Khuma - highmast (Phase 3)	31-35	YES
Upgrading Mechanical Electrical Equipment and Pumpstations (Volume 3)		NO
Kanana Highmast Lights (Phase 4)	20,22-27	NO
Jouberton Highmast Lights (Extension 24)	4-14	NO

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APPENDIX L – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
Dominionville Primary School (Rural Area)	X	-	-	-
Letsatsie Primary School (Rural Area)	X	-	-	-
Mahelo Primary School (Rural Area)	X	-	-	-
Mahubre Primary School (Rural Area)	X	-	-	-
Nkupsana Primary School (Rural Area)	X	-	-	-
Pelonomi Primary School (Rural Area)	X	-	-	-
Phukelo Primary School (Rural Area)	X	-	-	-
Tshogafatso Primary School (Rural Area)	X	-	-	-
Clinics (NAMES, LOCATIONS)				
N/A	-	-	-	-

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APPENDIX M – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics	N/A	N/A
Housing	N/A	N/A
Licensing and Testing Centre	N/A	N/A
Reservoirs		
Khuma Pressure Tower	High	Very important - Low water pressure
Alabama and Manzilpark Towers	High	Very important - Low water pressure
Doringkruin Tower	High	Very important - Delay future developments
Schools (Primary and High)	N/A	N/A
Sports Fields:	N/A	N/A

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APPENDIX M – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government			
Outcome/Output	Progress to date		Number or Percentage Achieved
Output: Improving the household access to basic level of services	Water - Urban settlements	129, 968 Households	100.00%
	Water - Rural settlements	3,982 Households	73.00%
	Sanitation - Urban Settlements	116,397 Households	99.96%
	Sanitation - Rural Settlements	416 Households	100.00%
	Electricity - Urban settlements	169,401 Households	98.20%
	Electricity - Rural settlements	0 (Municipal) & 0 (Eskom) Households	100.00%
	Refuse Removal - Urban Settlements	107,800 Households	100.00%
	Refuse Removal - Rural Settlements	Council cannot render service on un-proclaimed land - Final approval of Waste Management Plan by Council and Province	0.00%
Output: Implementation of the Community Work Programme	Implementing the Community Based Plan (CBP) in 4 wards		0.00%
Output: Administrative and financial capability	6 Critical positions filled with competent employees		75.00%

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